

A3275-82

Railroad Ten-Year Trends

1979 - 1988

Economics and Finance Department
ASSOCIATION OF AMERICAN RAILROADS

PREFACE

RAILROAD TEN-YEAR TRENDS is offered in a simple statistical format, and as the title implies, most of the data are presented for the past 10 years. The tables are organized into the following categories:

- Organizational Structure
- Traffic, Revenue and Rates
- Financial Statistics
- Employment
- Plant and Equipment
- Operating Ratios
- Profiles

Except where otherwise noted, the statistics reported herein are derived from Annual Reports (R-1) and other reports of Class I Railroads to the Interstate Commerce Commission (ICC), as well as data collected by the Association of American Railroads (AAR). Amtrak statistics are not included except where noted.

Also, unless specifically noted, the statistics reflect the operations of Class I Railroads only. Prior to 1956, Class I Railroads consisted of those carriers with annual operating revenues of at least \$1,000,000. Since 1982, the Class I threshold has been indexed for inflation, based on the 1978 criteria of \$50 million. The historic criteria for classifying Class I railroads are presented below:

<u>YEAR</u>	<u>Annual Operating Revenues</u>
Pre-1956	\$ 1,000,000
1956	3,000,000
1965	5,000,000
1976	10,000,000
1978	50,000,000
1982	82,454,000
1983	83,486,000
1984	87,336,000
1985	87,935,000
1986	88,550,000
1987	87,935,000
1988	91,998,000

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STATISTICAL NOTES

- **Trends** does not include the 1988 financial and statistical data for the Boston and Maine Railroad which failed to meet the Class I annual revenue threshold for three years in a row. Even if the Boston and Maine were included, comparisons with previous years would be difficult because of major changes in the railroad's corporate structure and related expense allocation.
- In some tables columns may not sum due to independent rounding.
- The data contained herein reflect the Class I railroad consist for that year. The consist has changed throughout the years because of mergers, bankruptcies and declassifications by the ICC, and will affect the trends.

ORGANIZATIONAL STRUCTURE

CLASS I RAILROAD SYSTEMS

Atchison, Topeka and Santa Fe Railway Company
Boston and Maine¹
Burlington Northern Railroad Company
Chicago and North Western Transportation Company
Consolidated Rail Corporation (Conrail)
CSX Transportation
Florida East Coast Railway
Grand Trunk Western
Illinois Central Railroad
Kansas City Southern Railway
Norfolk Southern Corporation
Soo Line Railroad
Southern Pacific Lines²
Union Pacific Railroad Company³

¹ While the Boston and Maine has not as yet been officially declassified, it has failed to meet the Class I revenue threshold for three years in a row.

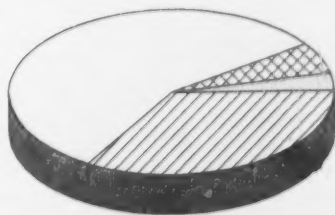
² Includes Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, and Denver and Rio Grande Western Railroad Company.

³ Includes Missouri-Kansas-Texas Railroad Company.

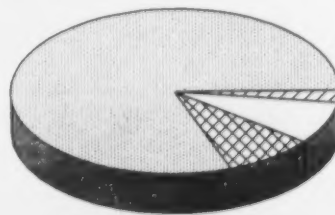
INDUSTRY OVERVIEW

<u>Type of Railroad</u>	<u>Number</u>	<u>Miles</u>	<u>Employees</u>
Class I	17	140,767	231,299
Regional	30	15,310	12,092
Local	280	14,556	6,431
Switching & Terminal	166	4,181	7,255
TOTAL	493	174,814	257,077

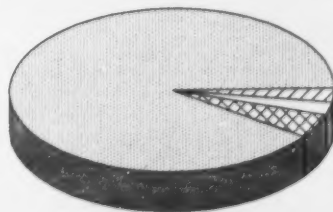
Source: Profiles of U.S. Railroads -- 1989 Edition.



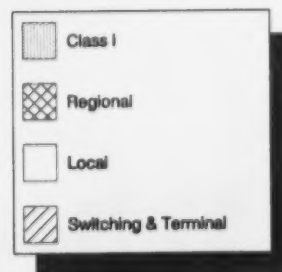
Number of Railroads



Number of Miles

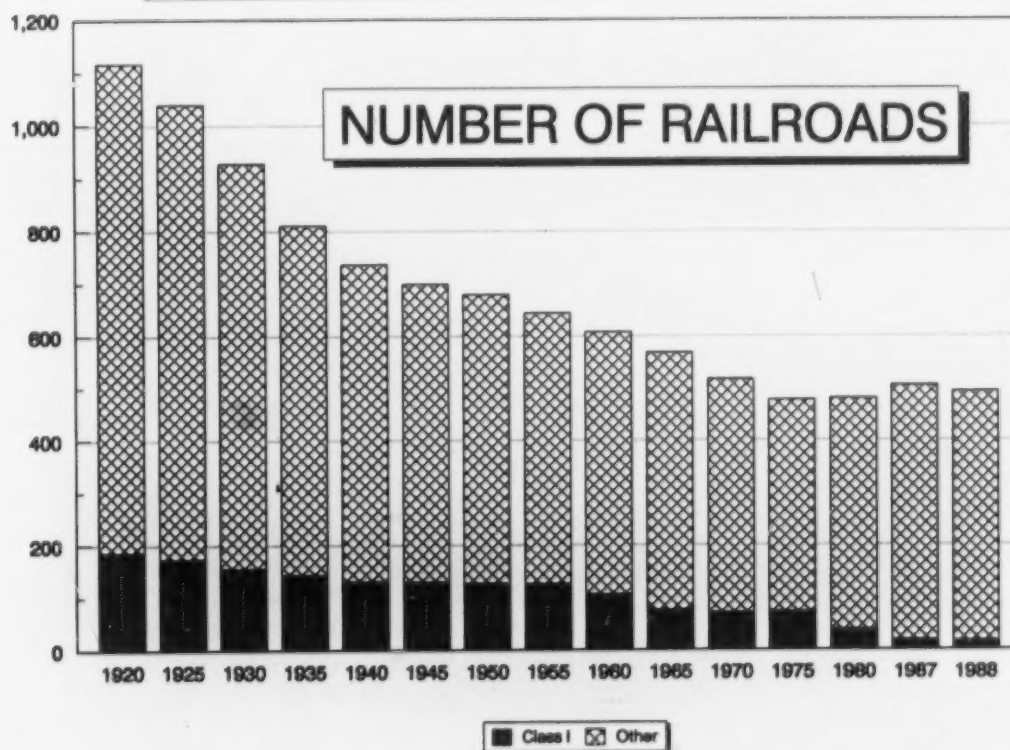


Number of Employees



NUMBER OF RAILROADS

Year	Class I Line-Haul Railroads	Other Railroads	Total
1920	186	931	1,117
1925	174	866	1,040
1930	156	772	928
1935	144	666	810
1940	131	605	736
1945	130	568	698
1950	127	552	679
1955	126	517	643
1960	106	501	607
1965	76	492	568
1970	71	446	517
1975	73	404	477
1980	39	441	480
1987	18	487	505
1988	17	476	493



RAILROAD DECLASSIFICATIONS

(Declassified From Class I Status)

Railroad	Year Declassified	Year Last Reported:			
		Miles of Road	Number of Employees	Operating Revenues (000)	Carloads
Bessemer & Lake Erie	1985	204	733	80,487	105,918
Duluth, Missabe & Iron Range	1985	357	1,206	79,725	403,370
Pittsburgh & Lake Erie	1985	408	1,070	50,316	63,832
Elgin, Joliet & Eastern	1986	175	1,495	84,987	76,476

CONSOLIDATION OF ANNUAL REPORTS

CSX

Seaboard System (1985)
 Louisville and Nashville (1982)
 Seaboard Coast Line (1982)
 Clinchfield (1982)
 Chessie System (1985)
 Chesapeake and Ohio (1985)
 Baltimore and Ohio (1985)
 Western Maryland (1983)

NORFOLK SOUTHERN

Norfolk and Western (1985)
 Southern Railway System (1985)
 Alabama Great Southern (1984)
 Central of Georgia (1984)
 Cincinnati, New Orleans and
 Texas Pacific (1984)
 Southern Railway (1984)

GRAND TRUNK WESTERN

Detroit, Toledo and Ironton (1983)

BURLINGTON NORTHERN

St. Louis/San Francisco (1980)
 Colorado and Southern (1981)
 Fort Worth and Denver (1981)

UNION PACIFIC

Missouri Pacific (1985)
 Western Pacific (1985)
 Union Pacific (1985)
 Missouri-Kansas-Texas (1988)

SOO LINE

Chicago, Milwaukee, St. Paul and
 Pacific (1984)

() Last year reporting separately

RAILROAD UNIFICATIONS

Effective Date of Unification	Type of Unification	Applicant Railroads	Controlling Railroad/Company
8-31-57	Merger	Nashville, Chattanooga & St. Louis	Louisville & Nashville
1-01-58	Merger	Litchfield & Madison	Chicago & North Western
10-06-58	Control	Spokane International	Union Pacific
12-01-59	Merger	Virginian	Norfolk & Western
1-28-60	Control	Toledo, Peoria & Western	Atchison, Topeka & Santa Fe and Pennsylvania
1-01-60	Merger	Charleston & Western Carolina	Atlantic Coast Line
7-01-60	Merger	Missouri-Kansas-Texas of Texas	Missouri-Kansas-Texas
10-17-60	Merger	Erie & Delaware, Lackawanna & Western	Erie-Lackawanna
11-01-60	Merger	Minneapolis & St. Louis	Chicago & North Western
1-01-61	Merger	Minneapolis, St. Paul & Sault Ste. Marie, Duluth, South Shore & Atlantic and Wisconsin Central	Soo Line
10-31-61	Merger	Texas & New Orleans	Southern Pacific
5-17-62	Control	Lehigh Valley	Pennsylvania Railroad
2-04-63	Control	Baltimore & Ohio	Chesapeake & Ohio
6-18-63	Control	Central of Georgia	Southern
7-01-63	Control	Georgia & Florida	Southern
9-03-63	Control	Ann Arbor	Detroit, Toledo & Ironton
1-01-64	Merger	St. Louis, San Francisco & Texas	St. Louis-San Francisco
9-25-64	Control	Kansas-Oklahoma & Gulf	Texas & Pacific
10-16-64	Merger	New York, Chicago & St. Louis	Norfolk & Western
10-16-64	Control	Akron, Canton & Youngstown	Norfolk & Western
8-01-65	Merger	Gulf, Colorado & Santa Fe & Panhandle & Santa Fe	Atchison, Topeka & Santa Fe
8-12-65	Merger	Pacific Electric	Southern Pacific
1-03-67	Control	Chicago, South Shore & South Bend	Chesapeake & Ohio
5-21-67	Control	Chicago & Eastern Illinois	Missouri Pacific
7-01-67	Merger	Atlantic Coast Line, Seaboard Air Line	Seaboard Coast Line
2-01-68	Merger	Pennsylvania Railroad, New York Central	Penn Central
3-29-68	Control	Western Maryland	Chesapeake & Ohio and Baltimore & Ohio
4-01-68	Control	Erie Lackawanna	Norfolk & Western
7-01-68	Merger	Chicago Great Western	Chicago & North Western
7-01-68	Control	Delaware & Hudson	Norfolk & Western
8-01-68	Control	Alton & Southern	Missouri Pacific and Chicago & North Western
1-31-69	Merger	New Orleans & Northeastern	Alabama Great Southern
2-01-69	Merger	Penn Central & New York, New Haven & Hartford	Penn Central
7-01-69	Merger	Piedmont & Northern	Seaboard Coast Line
3-02-70	Merger	Great Northern, Northern Pacific and Chicago, Burlington & Quincy	Burlington Northern
4-01-70	Merger	Kansas, Oklahoma & Gulf	Texas & Pacific
5-31-71	Merger	Central of Georgia, Georgia & Florida, Savannah & Atlanta and Wrightsville & Tenille	Central of Georgia
7-31-71	Merger	Monon	Louisville and Nashville
8-10-72	Merger	Illinois Central & Gulf, Mobile & Ohio	Illinois Central Gulf
6-15-73	Consolidation	Baltimore & Ohio, Chesapeake & Ohio and Western Maryland	Chessie System
1-01-74	Merger	Carolina & Northwestern	Norfolk & Western
4-01-76	Consolidation	Central Railroad of New Jersey, Erie-Lackawanna, Lehigh & Hudson River, Lehigh Valley, Penn Central, Reading and Ann Arbor	Consolidated Rail Corp. (Conrail)
10-16-76	Merger	Texas & Pacific and Chicago & Eastern Illinois	Missouri Pacific
11-01-78	Merger	Abilene & Southern, Fort Worth Belt, Missouri-Illinois, New Orleans & Lower Coast, St. Joseph Belt, Texas-New Mexico and Union Terminal	Missouri Pacific
11-10-78	Control	Green Bay & Western	Itel Corp

RAILROAD UNIFICATIONS

(Continued)

Effective Date of Unification	Type of Unification	Applicant Railroads	Controlling Railroad/Company
6-24-80	Control	Grand Trunk Western and Detroit, Toledo & Ironton	Grand Trunk Western
11-01-80	Consolidation	Chessie System and Family Lines	CSX Corporation
11-21-80	Merger	Burlington Northern and St. Louis-San Francisco	Burlington Northern
4-13-81	Control	Grand Trunk Western and Detroit & Toledo Shore Line	Grand Trunk Western
6-16-81	Control	Maine Central	Guilford Transportation Industries
1-01-82	Merger	Burlington Northern, Colorado & Southern, Fort Worth & Denver, Burlington Northern (Oregon-Washington) and Walla Walla Valley	Burlington Northern
6-01-82	Consolidation	Southern and Norfolk & Western	Norfolk Southern Corp.
12-22-82	Merger	Union Pacific, Missouri Pacific and Western Pacific	Union Pacific Corp.
1-01-83	Consolidation	Family Lines and Louisville & Nashville	Seaboard System
7-01-83	Control	Boston & Maine	Guilford Transportation Industries
1-05-84	Control	Delaware & Hudson	Guilford Transportation Industries
2-19-85	Control	SOO Line and Chicago, Milwaukee, St. Paul & Pacific	SOO Line
3-26-87	Control	Conrail - 85% government control	Conrail - private sector
8-12-88	Merger	Missouri-Kansas-Texas and Union Pacific	Union Pacific Corp.
10-13-88	Control	Southern Pacific Transportation Co.	Rio Grande Industries

CLASS I RAILROAD SYSTEMS

Percent
OwnershipAtchison, Topeka and Santa Fe Railway Company

Alameda Belt Line Railroad Company	50.00 %
Central California Traction	33.33
Denver Union Terminal Railway Company	16.67
Harbor Belt Line Railroad Company	33.33
Kansas City Terminal Railway	8.33
Los Angeles Junction Railway Company	100.00
Oakland Terminal Railway	50.00
St. Joseph Terminal Railroad Company	50.00
Sunset Railway Company	50.00
Texas City Terminal Railway	33.33
Wichita Union Terminal Railway Company	33.33

Boston and MaineBurlington Northern Railroad Company

Camas Prairie	50.00
Davenport Rock Island and North Western Railway	50.00
Denver Union Terminal	33.33
Galveston Terminal Railway	100.00
Iowa Transfer Railway	25.00
Kansas City Terminal	16.67
Lake Superior Terminal and Transfer Rwy of Wisconsin	66.67
Longview Switching Company	50.00
MT Properties, Inc.	37.77
Portland Terminal Railroad	40.00
Paducah and Illinois	33.33
Terminal Railroad Association of St. Louis	14.28
Wichita Union Terminal Railway Company	33.33
Winona Bridge	100.00

Chicago and North Western Transportation Company

Iowa Transfer Railway	25.00
Kansas City Terminal Railway	8.33
Lake Superior Terminal and Transfer Rwy of Wisconsin	16.67
MT Properties, Inc.	36.73
Western Railroad Properties	100.00

CSX Transportation

Akron and Barberton Belt Railroad	25.00
Baltimore and Ohio Chicago Terminal Railroad	100.00
Carrollton Railroad	100.00
Chicago and Western Indiana Railroad Company	30.00
Curtis Bay	100.00
Gainesville Midland	100.00
High Point, Thomasville and Denton	100.00
Monongahela Railway Company	33.33
Nicholas, Fayette and Greenbrier	50.00
Norfolk and Portsmouth Belt Line Railroad Company	28.57
Paducah and Illinois	33.33
Terminal Railroad Association of St. Louis	12.50
Western Railway of Alabama	100.00
Winston-Salem Southbound	100.00
Woodstock and Blockton Railroad	50.00

Consolidated Rail Corporation (Conrail)

Akron and Barberton Belt Railroad	50.00
Albany Port Railroad Corporation	50.00
Calumet Western Railway	50.50

CLASS I RAILROAD SYSTEMS

(Continued)

	Percent Ownership
<u>Consolidated Rail Corporation (Conrail)- continued</u>	
Chicago and Western Indiana Railroad Company	20.00 %
Indiana Harbor Belt Railroad Company	51.00
Monongahela Railway Company	33.33
Pittsburgh, Chartiers and Youghiogheny Railway	50.00

Florida East Coast Railway

Grand Trunk Western Railroad Corporation

Chicago and Western Indiana Railroad Company	20.00
--	-------

Illinois Central Railroad

Kansas City Southern Railway

Arkansas and Western Railway	100.00
Fort Smith and Van Buren Railway Company	100.00
Kansas and Missouri Railway and Terminal Company	100.00
Kansas City Terminal Railway	8.33
Louisiana and Arkansas Railway Company	100.00

Norfolk Southern Corporation

Akron and Barberton Belt Railroad	25.00
Alabama Great Southern Railroad Company	100.00
Algers, Winslow and Western	50.00
Atlanta and East Carolina Railway	100.00
Camp LeJeune Railroad Company	100.00
Carolina and Northwestern Railroad Company	100.00
Central of Georgia Railroad Company	100.00
Chesapeake Western Railway	100.00
Chicago and Western Indiana Railroad Company	20.00
Cincinnati, New Orleans and Texas Pacific	100.00
Des Moines Union Railway Company	50.00
Fort Wayne Union Railway Company	50.00
Georgia Northern Railway Company	100.00
Georgia Southern and Florida Railway	100.00
Interstate Railroad Company	100.00
Kansas City Terminal Railway	8.33
Live Oak Perry & South Georgia Railway	100.00
Louisiana Southern Railway	100.00
New Orleans Terminal Company	100.00
Norfolk and Portsmouth Belt Line Railroad Company	57.14
St. Johns River Terminal	100.00
State University Railroad Company	54.02
Tennessee, Alabama and Georgia Railway	100.00
Tennessee Railway Company	100.00
Terminal Railroad Association of St. Louis	12.50
Woodstock and Blockton Railroad Company	50.00

SOO Line Railroad

Davenport, Rock Island and North Western Railway	50.00
Indiana Harbor Belt Railway	49.00
Kansas City Terminal Railway	8.33
Lake Superior Term. & Trans. Railway Co. of Wisconsin	16.67
MT Properties	11.11

CLASS I RAILROAD SYSTEMS

(Continued)

Percent
Ownership

Southern Pacific Lines

Arkansas and Memphis Railway Bridge Terminal	66.67 %
Central California Traction Company	33.33
Denver and Rio Grande Western Railroad	100.00
Denver Union Terminal Railway Company	16.67
Harbor Belt Line Railroad Company	33.33
Kansas City Terminal Railway Company	8.33
Northwestern Pacific Railroad	100.00
Portland Terminal Railroad	20.00
Portland Traction Company	50.00
St. Louis-Southwestern Railway Lines	100.00
Southern Illinois and Missouri Bridge Company	40.00
Southern Pacific Transportation Company	100.00
Sunset Railway Company	50.00
Terminal Railroad Association of St. Louis	14.29
Visalia Electric Railroad Company	100.00

Union Pacific Railroad Company

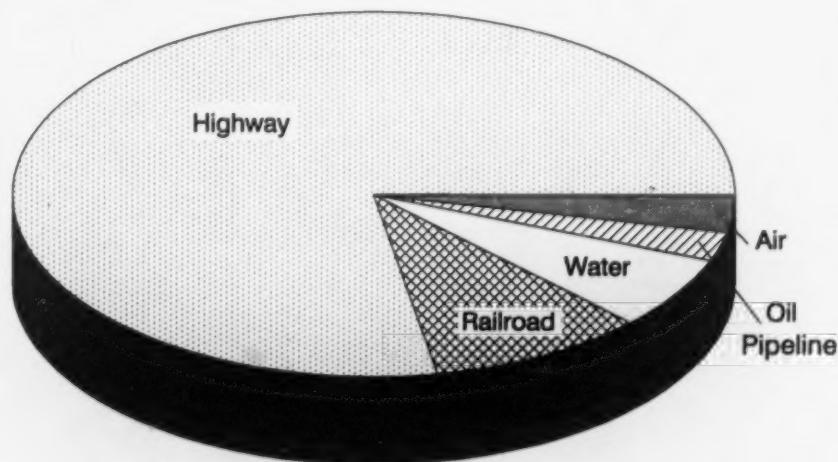
Alameda Belt Line	50.00
Arkansas, Memphis Railway Bridge and Terminal	33.33
Brownsville and Matamoros Bridge Terminal	50.00
Camas Prairie	50.00
Central California Traction	33.33
Chicago and Western Indiana Railroad Company	20.00
Denver Union Terminal	16.67
Harbor Belt Line Railroad Company	33.33
Kansas City Terminal Railway Company	25.00
Longview Switching Company	50.00
Missouri-Kansas-Texas Railroad	100.00
Oakland Terminal Railway Company	50.00
Ogden Union Railway and Depot Company	50.00
Oklahoma, Kansas and Texas Railroad Company	100.00
Portland Terminal Railroad	40.00
Portland Traction Company	50.00
Pueblo Union Depot Railroad	25.00
Southern Illinois and Missouri Bridge Company	60.00
St. Joseph Terminal Company	50.00
Terminal Railroad Association of St. Louis	25.00
Texas City Terminal Railway	66.66
Union Pacific Railroad	100.00

TRAFFIC, REVENUE AND RATES

RAILROADS AND THE ECONOMY IN 1988

1. Rail revenues account for 0.6 percent of GNP.
2. Railroads handle 37.0 percent of the nation's intercity freight traffic in ton-miles.
3. Railroads employ 9.0 percent of the total persons involved in transportation services.
4. Railroad investment in new plant and equipment accounts for 32.7 percent of total transportation investment.

NATION'S FREIGHT BILL - 1988



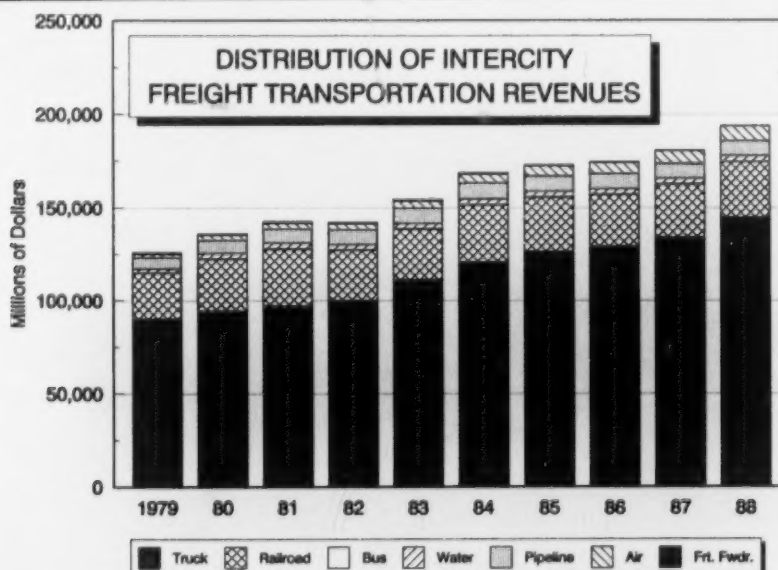
Source: Transportation in America, Eno Foundation for Transportation, Inc. and Bureau of Labor Statistics.

DISTRIBUTION OF INTERCITY FREIGHT TRANSPORTATION REVENUES

REVENUES OF REGULATED AND NON-REGULATED CARRIERS

Mode	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
	(Millions of Dollars)									
Truck										
Regulated	\$41,200	\$43,000	\$47,100	\$44,100	\$46,500	\$52,100	\$54,200	\$58,100	\$61,000	\$66,500
Non-Regulated	48,963	51,551	49,993	55,840	64,598	68,600	72,000	71,000	73,000	78,000
Railroads	24,673	27,702	30,502	27,134	27,325	30,549	29,150	27,808	28,393	29,900
Bus	219	235	260	249	246	245	245	226	185	200
Water										
Inland	1,497	2,395	2,652	2,419	2,380	2,603	2,449	2,470	2,508	2,600
Great Lakes	593	513	570	335	404	475	461	417	490	500
Oil Pipe Lines										
Regulated	5,585	6,356	6,678	7,140	7,472	7,824	7,461	7,287	7,104	7,100
Non-Regulated	621	706	742	793	830	860	829	810	789	800
Domestic Air	1,846	2,802	3,165	3,244	3,785	4,662	5,498	5,926	6,713	7,800
Freight Fwdrs.	701	721	810	693	628	506	378	265	204	200
TOTAL	\$125,898	\$135,981	\$142,472	\$141,947	\$154,168	\$168,433	\$172,671	\$174,309	\$180,386	\$193,600
	(Percent of Total Revenues)									
Truck										
Regulated	32.7 %	31.6 %	33.1 %	31.1 %	30.2 %	30.9 %	31.4 %	33.3 %	33.8 %	34.4 %
Non-Regulated	38.9	37.9	35.1	39.3	41.9	40.7	41.7	40.7	40.5	40.3
Railroads	19.6	20.4	21.4	19.1	17.7	18.1	16.9	16.0	15.8	15.4
Bus	.2	.2	.2	.2	.2	.2	.1	.1	.1	.1
Water										
Inland	1.2	1.8	1.8	1.7	1.5	1.6	1.4	1.4	1.4	1.3
Great Lakes	.5	.4	.4	.2	.3	.3	.3	.2	.3	.3
Oil Pipe Lines										
Regulated	4.4	4.7	4.7	5.0	4.8	4.6	4.3	4.2	3.9	3.7
Non-Regulated	.5	.5	.5	.6	.5	.5	.5	.5	.4	.4
Domestic Air	1.5	2.0	2.2	2.3	2.5	2.8	3.2	3.4	3.7	4.0
Freight Fwdrs.	.5	.5	.5	.5	.4	.3	.2	.2	.1	.1
TOTAL	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Source: Transportation in America, Eno Foundation for Transportation, Inc.



DISTRIBUTION OF INTERCITY FREIGHT TRAFFIC: TON-MILES

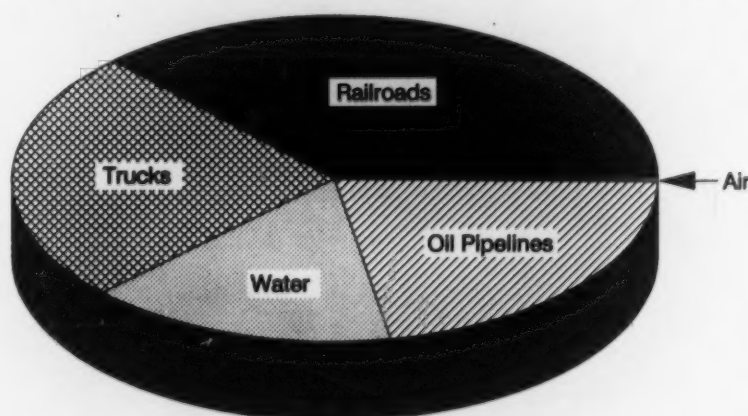
Percentage of Intercity Ton-Miles

Year	Railroads	Trucks	Water	Oil Pipelines	Air
1979	36.0 %	23.6 %	16.6 %	23.6 %	0.2 %
1980	37.5	22.3	16.4	23.6	0.2
1981	38.1	21.7	16.8	23.2	0.2
1982	36.0	23.1	15.6	25.1	0.2
1983	36.0	24.6	15.4	23.8	0.2
1984	37.2	24.1	15.9	22.6	0.2
1985	36.4	24.8	15.6	22.9	0.3
1986 ^r	35.6	25.2	15.7	23.2	0.3
1987 ^r	36.8	25.1	15.6	22.2	0.3
1988	37.0	25.2	15.6	21.9	0.3

^r=revised

Source: Transportation in America, Eno Foundation for Transportation, Inc.

PERCENT OF INTERCITY TON-MILES - 1988



DISTRIBUTION OF INTERCITY FREIGHT TRAFFIC: TONS CARRIED

Percent of Intercity Tonnage

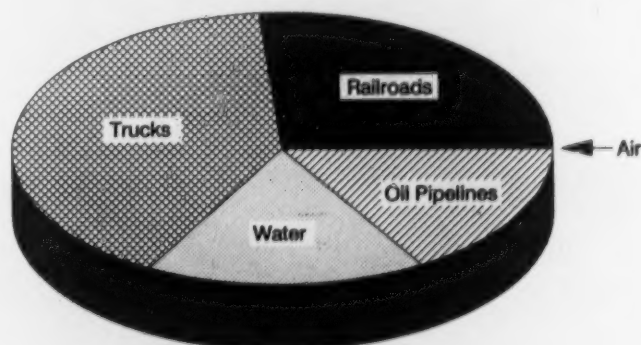
Year	Railroads	Trucks	Water	Oil Pipelines	Air
1979	27.6 %	38.6 %	16.9 %	16.8 %	0.1 %
1980	28.9	36.5	17.8	16.7	0.1
1981	28.9	36.7	17.8	16.5	0.1
1982	27.4	36.4	17.9	18.2	0.1
1983	27.1	37.8	17.3	17.7	0.1
1984	27.6	38.5	17.2	16.6	0.1
1985	26.5	39.3	17.2	16.9	0.1
1986 ^r	25.9	39.8	17.2	17.0	0.1
1987 ^r	26.3	40.1	17.1	16.4	0.1
1988	26.3	40.5	16.8	16.3	0.1

^r=revised

Notes: In addition to regulated carriers, for-hire and private carriers are included in the above data. Water tonnage includes Coastwise traffic.

Source: Transportation in America, Eno Foundation for Transportation, Inc.

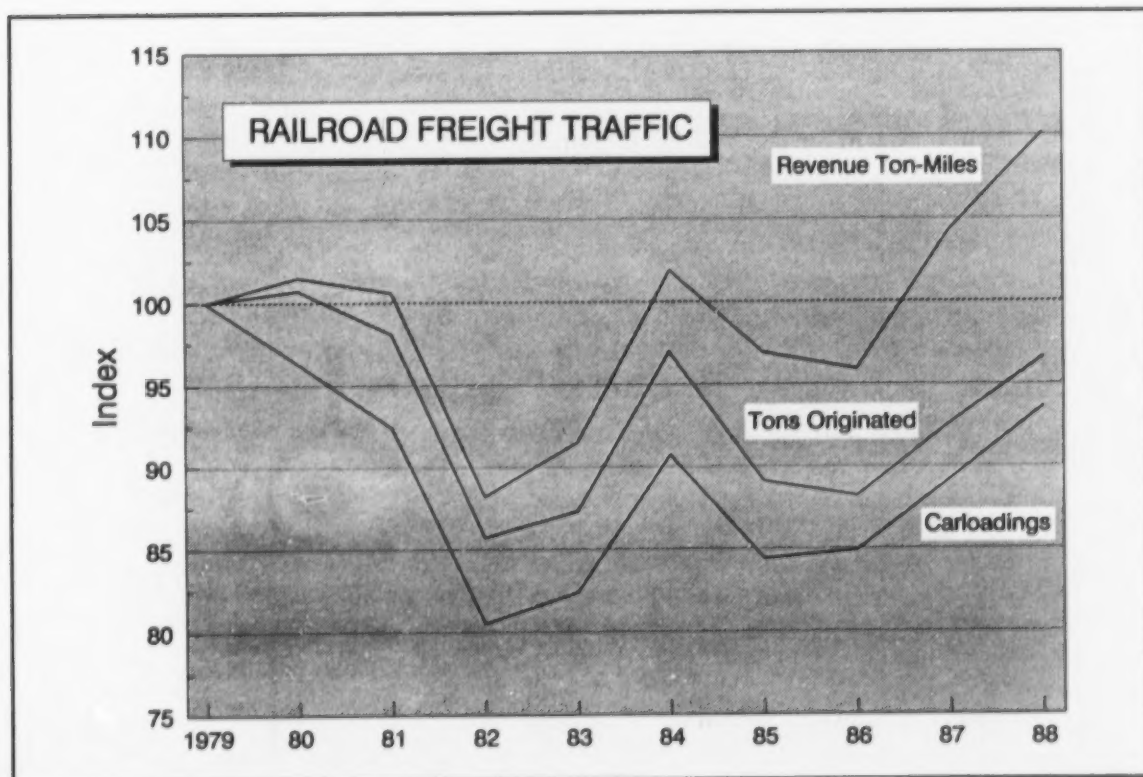
PERCENT OF INTERCITY TONNAGE - 1988



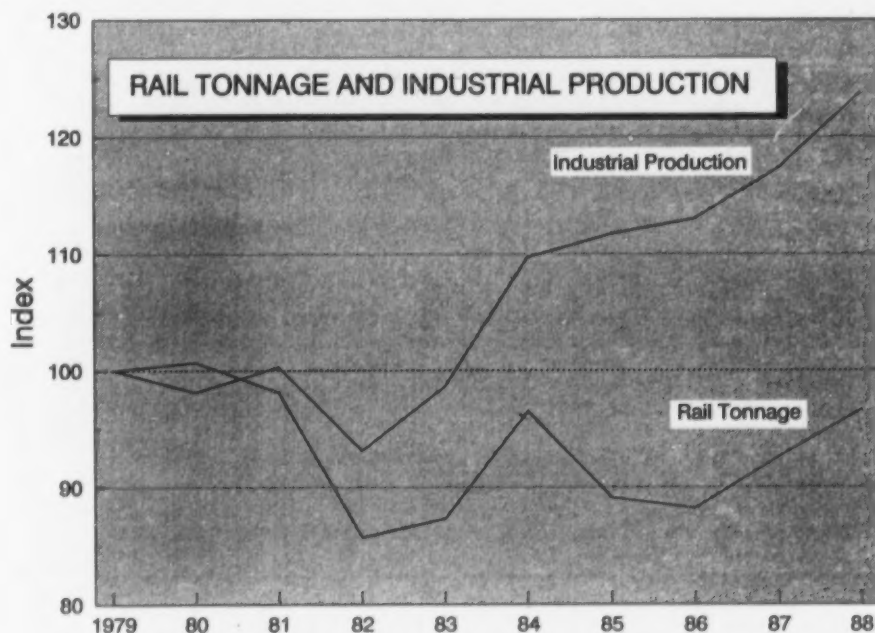
RAILROAD FREIGHT TRAFFIC

Year	Carloadings (thousands)	Tons Originated (millions)	Revenue Ton-Miles (billions)
1979	23,086	1,481	905
1980	22,223	1,492	919
1981	21,343	1,453	910
1982	18,585	1,269	798
1983	19,013	1,293	828
1984	20,946	1,429	922
1985	19,501	1,320	877
1986	19,589	1,306	868
1987	20,602	1,372	944
1988	21,600	1,430	996

Source: Analysis of Class I Railroads.



INDUSTRIAL PRODUCTION VS. RAIL TONNAGE



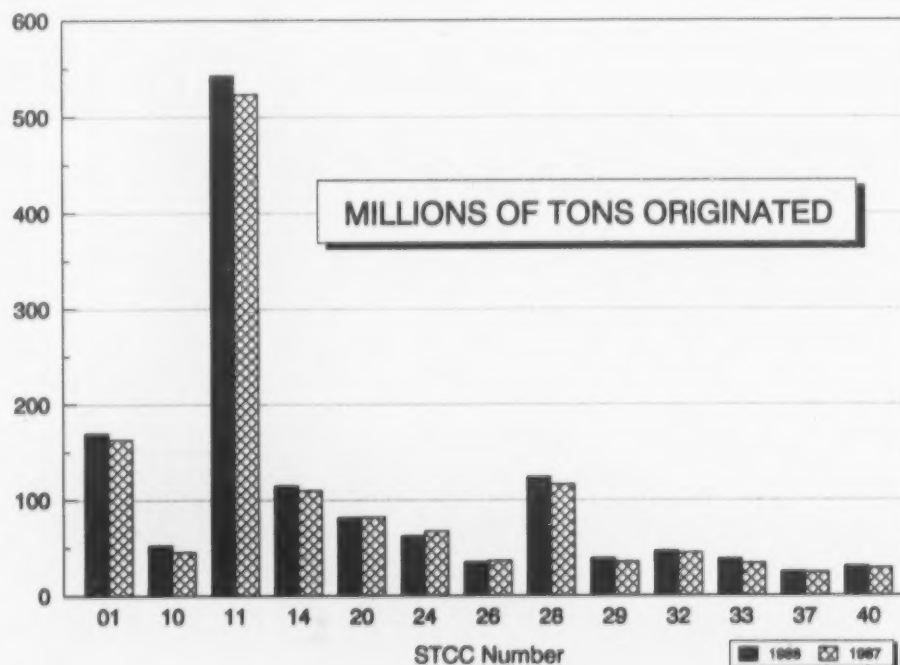
Year	Index of Industrial Production	Index of Rail Tonnage
1979	100.0	100.0
1980	98.1	100.7
1981	100.3	98.1
1982	93.1	85.7
1983	98.6	87.3
1984	109.7	96.5
1985	111.7	89.1
1986	113.0	88.2
1987	117.3	92.6
1988	123.7	96.6

Sources: Industrial Production - Economic Report to the President; Tons Originated - Analysis of Class I Railroads.

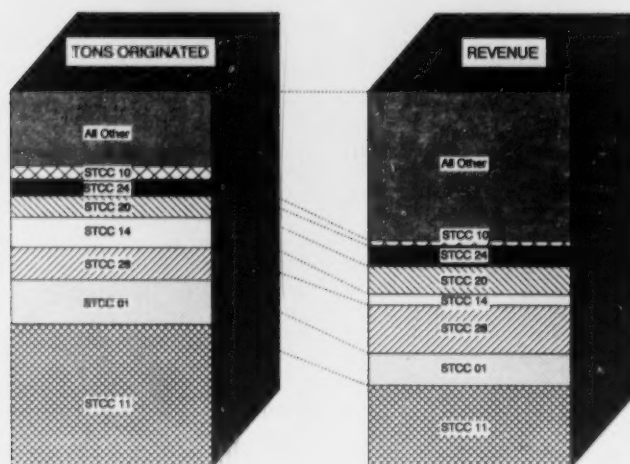
RAILROAD TONNAGE BY MAJOR COMMODITY GROUPS

(Millions of Tons Originated)

Commodity	STCC No.	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
Farm Products	01	138.5	156.1	139.9	133.5	142.2	151.1	127.0	136.4	162.9	169.6
Metallic Ores	10	83.1	105.4	113.8	62.6	68.4	85.5	46.9	46.4	44.9	51.9
Coal	11	473.7	522.1	527.6	523.8	493.6	566.6	538.0	517.5	523.3	542.8
Nonmetallic Minerals	14	132.2	124.8	110.0	84.7	96.5	108.2	107.7	101.3	109.4	114.5
Food & Kindred Products	20	93.2	91.9	82.8	77.0	75.2	72.1	73.5	78.3	81.4	81.0
Lumber & Wood Products	24	92.9	85.5	80.3	65.9	71.7	69.8	63.2	64.9	66.8	62.0
Pulp, Paper & Allied Products	26	42.4	42.1	41.6	36.4	36.6	37.7	36.2	35.6	35.9	34.7
Chemicals & Allied Products	28	112.4	108.3	105.9	91.2	99.3	107.4	106.4	105.6	115.9	123.4
Petroleum & Coal Products	29	43.7	38.1	39.0	31.6	33.6	35.3	32.9	32.8	34.9	38.6
Stone, Clay & Glass Products	32	61.4	53.7	49.2	38.2	41.6	44.8	43.5	42.1	44.4	46.2
Primary Metal Products	33	63.9	52.7	53.3	32.0	32.0	36.1	33.6	29.7	33.4	37.8
Transportation Equipment	37	30.6	23.9	22.2	18.8	22.2	26.1	27.2	25.9	23.9	24.8
Waste and Scrap Material	40	38.5	34.3	34.1	22.7	24.5	28.8	25.7	25.0	28.3	30.2



RAIL DISTRIBUTION OF TONNAGE AND REVENUE AMONG MAJOR COMMODITY GROUPS IN 1988



STCC	Commodity	Percent of Total Tons Originated (percent)	Percent of Freight Revenue (percent)	Rank	
				Tons	Rev.
11	Coal	38.0 %	21.8 %	1	1
01	Farm Products	11.9	8.6	2	4
28	Chemicals & Allied Products	8.6	12.8	3	2
14	Nonmetallic Minerals	8.0	3.0	4	11
20	Food & Kindred Products	5.7	7.4	5	5
24	Lumber & Wood Products	4.4	5.5	6	6
10	Metallic Ores	3.6	1.4	7	13
32	Stone, Clay & Glass Products	3.2	3.3	8	9
29	Petroleum & Coal Products	2.7	3.1	9	10
33	Primary Metal Products	2.7	3.4	10	8
26	Pulp, Paper & Allied Products	2.4	5.2	11	7
40	Waste and Scrap Materials	2.1	1.8	12	12
37	Transportation Equipment	1.7	10.9	13	3
	Subtotal	95.0 %	88.2 %	--	--
	All Others	5.0	11.8	--	--
	TOTAL	100.0 %	100.0 %		

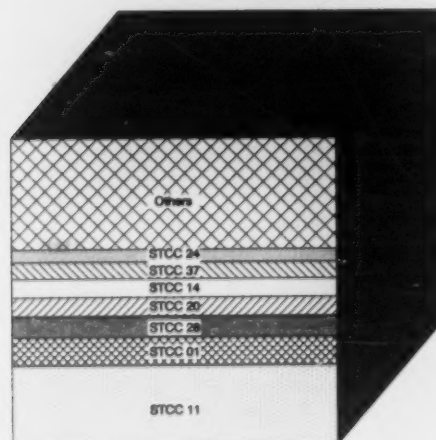
Source: Freight Commodity Statistics.

RAILROAD CARLOADINGS BY MAJOR COMMODITY GROUPS 1988

STCC	Commodity	Carloads Originated	Percent of Total	Rank Tons
11	Coal	5,620,851	26.0 %	1
01	Farm Products	1,977,181	9.2	2
28	Chemicals & Allied Products	1,484,697	6.9	3
20	Food & Kindred Products	1,318,300	6.1	5
14	Nonmetallic Minerals	1,290,338	6.0	4
37	Transportation Equipment	1,160,407	5.4	13
24	Lumber & Wood Products	910,079	4.2	6
26	Pulp, Paper & Allied Products	646,180	3.0	11
10	Metallic Ores	581,872	2.7	7
32	Stone, Clay & Glass Products	577,130	2.7	8
29	Petroleum & Coal Products	568,222	2.6	9
33	Primary Metal Products	478,814	2.2	10
40	Waste and Scrap Materials	470,640	2.2	12
	Subtotal	17,084,729	79.1 %	--
	All Others	4,515,264	20.9	--
	TOTAL	21,599,993	100.0 %	

Source: Freight Commodity Statistics.

CARLOADS ORIGINATED - 1988

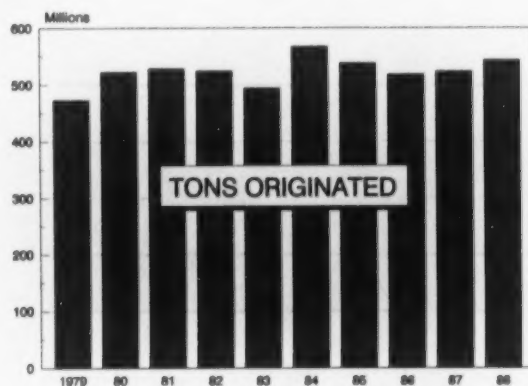


REVENUE PER TON FOR MAJOR COMMODITY GROUPS

<u>STCC</u>	<u>Commodity</u>	<u>Revenue Per Ton</u>
01	Farm Products	\$14.94
10	Metallic Ores	8.01
11	Coal	11.84
14	Nonmetallic Minerals	7.77
20	Food & Kindred Products	27.12
24	Lumber & Wood Products	26.20
26	Pulp, Paper & Allied Products	44.40
28	Chemicals & Allied Products	30.76
29	Petroleum & Coal Products	23.38
32	Stone, Clay & Glass Products	20.89
33	Primary Metal Products	26.80
37	Transportation Equipment	129.84
40	Waste and Scrap Materials	17.43
ALL COMMODITIES		\$20.66

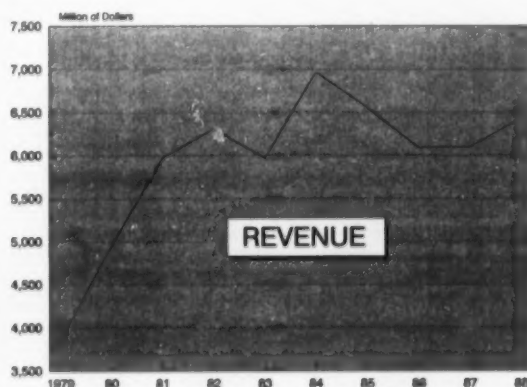
Source: Freight Commodity Statistics.

RAIL TRANSPORTATION OF COAL



Year	Tons Originated (millions)	Carloads Originated (thousands)	Revenues (million \$)	Coal as Percent of Total Traffic		
				Tonnage	Carloads	Revenues
1979	473	5,321	3,863	31.9 %	23.0 %	16.1 %
1980	522	5,789	4,956	35.0	26.0	18.4
1981	528	5,835	5,977	36.3	27.3	20.2
1982	524	5,718	6,307	41.3	30.8	23.8
1983	494	5,276	5,969	38.2	27.7	22.4
1984	567	6,061	6,965	39.6	28.9	23.3
1985	538	5,684	6,556	40.8	29.1	23.2
1986	518	5,433	6,089	39.6	27.7	22.4
1987	523	5,430	6,097	38.1	26.4	22.0
1988	543	5,621	6,430	38.0	26.0	21.8

Source: Analysis of Class I Railroads.



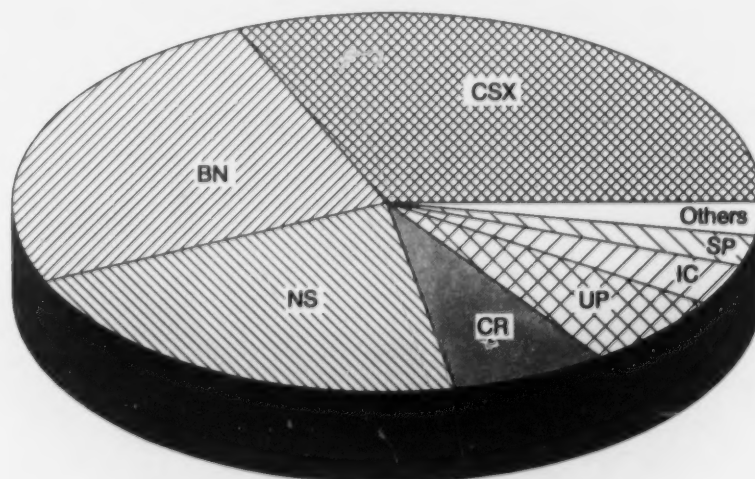
MAJOR COAL RAILROAD SYSTEMS

(1988)

<u>Railroad System</u>	<u>Tons Originated (millions)</u>	<u>Percent of Total</u>
CSX Corporation	170.7	31.5 %
Burlington Northern	137.0	25.3
Norfolk Southern	115.2	21.2
Conrail	36.5	6.7
Union Pacific Corporation	34.4	6.3
Illinois Central Gulf	19.0	3.5
Southern Pacific Lines	14.1	2.6
Top Seven	526.9	97.1 %
Others	15.9	2.9 %
TOTAL	542.8	100.0 %

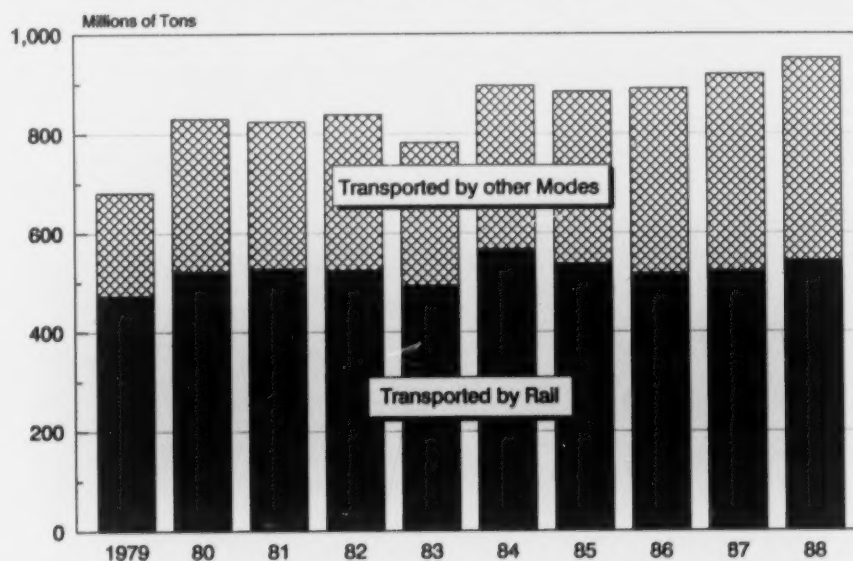
Source: Analysis of Class I Railroads.

PERCENT OF TOTAL TONS ORIGINATED COAL



RAIL COAL TRAFFIC AS A PERCENT OF DOMESTIC COAL PRODUCTION

TOTAL U.S. PRODUCTION OF COAL



Year	Total Tons U.S. Production (millions)	Transported by Rail	
		Tons (millions)	Percent of Production
1979	781	474	60.7 %
1980	830	522	62.9
1981	824	528	64.1
1982	838	524	62.5
1983	782	494	63.2
1984	896	567	63.3
1985	884	538	60.9
1986	890	518	58.2
1987 ^r	919	523	56.9
1988	950	543	57.2

^r=revised

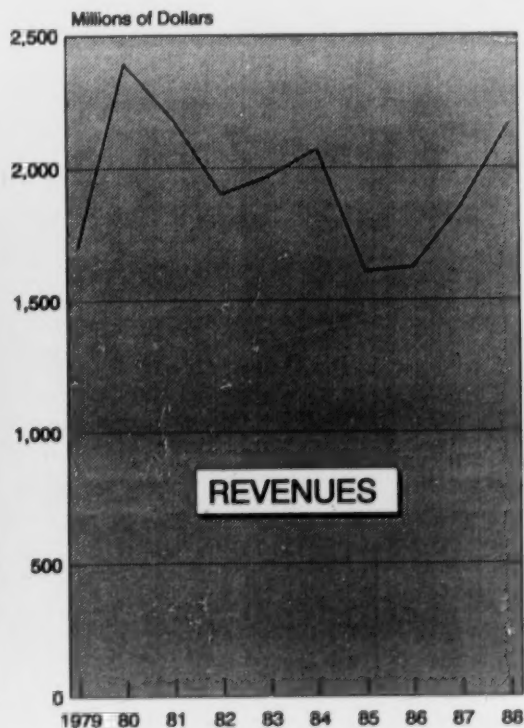
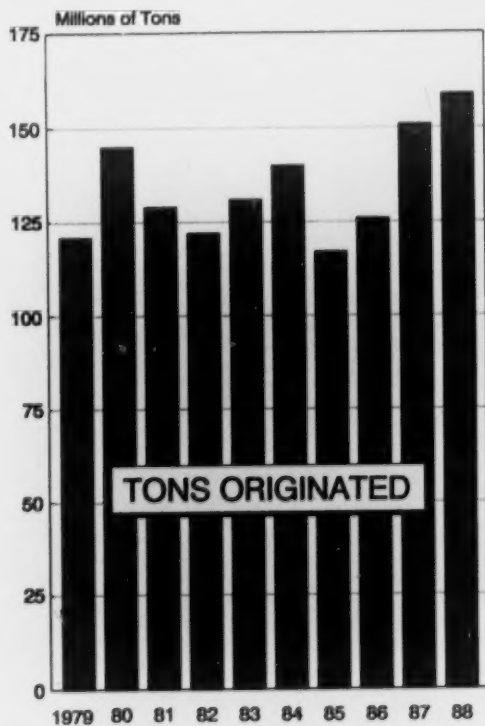
Note: Above data include bituminous, lignite and anthracite coal.

Source: DOE, Energy Information Administration, Quarterly Coal Report October-December 1988; and Freight Commodity Statistics.

RAIL TRANSPORTATION OF GRAIN

<u>Year</u>	<u>Tons Originated</u>	<u>Carloads Originated</u>	<u>Revenues (\$ thousands)</u>
1979	120,757,068	1,392,198	1,699,864
1980	144,661,368	1,594,776	2,392,910
1981	128,741,536	1,365,487	2,185,729
1982	122,289,166	1,286,999	1,901,714
1983	131,276,374	1,376,593	1,968,195
1984	140,080,000	1,473,907	2,071,705
1985	117,178,508	1,235,290	1,608,362
1986	125,896,395	1,323,836	1,624,778
1987	151,245,722	1,593,623	1,852,638
1988	158,580,849	1,679,445	2,160,653

Source: Analysis of Class I Railroads.



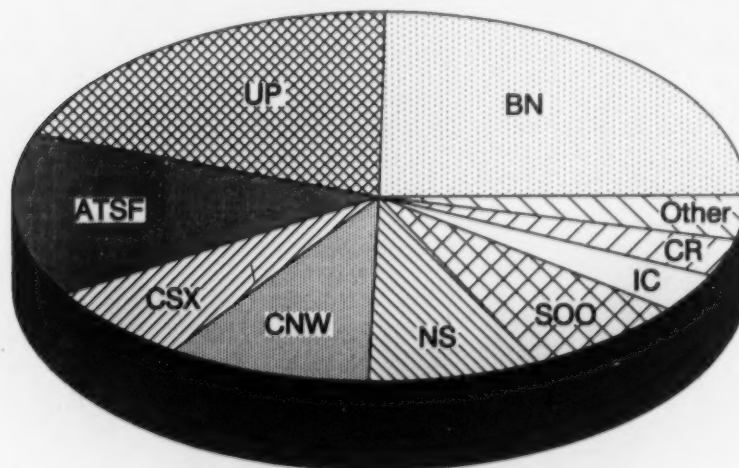
MAJOR GRAIN RAILROAD SYSTEMS

(1988)

<u>Railroad System</u>	<u>Tons Originated</u>	<u>Percent of Total</u>
Burlington Northern	39,220,646	24.7 %
Union Pacific	31,059,334	19.6
Atchison, Topeka & Santa Fe	22,687,769	14.3
Chicago & North Western	14,257,783	9.0
Norfolk Southern	12,051,639	7.6
Soo Line	11,564,452	7.3
CSX Transportation	11,032,104	6.9
Illinois Central Gulf	5,312,672	3.4
Conrail	5,208,078	3.3
Top nine	152,394,477	96.1 %
Others	6,186,372	3.9
TOTAL	158,580,849	100.0 %

Source: Analysis of Class I Railroads.

PERCENT OF TOTAL TONS ORIGINATED GRAIN



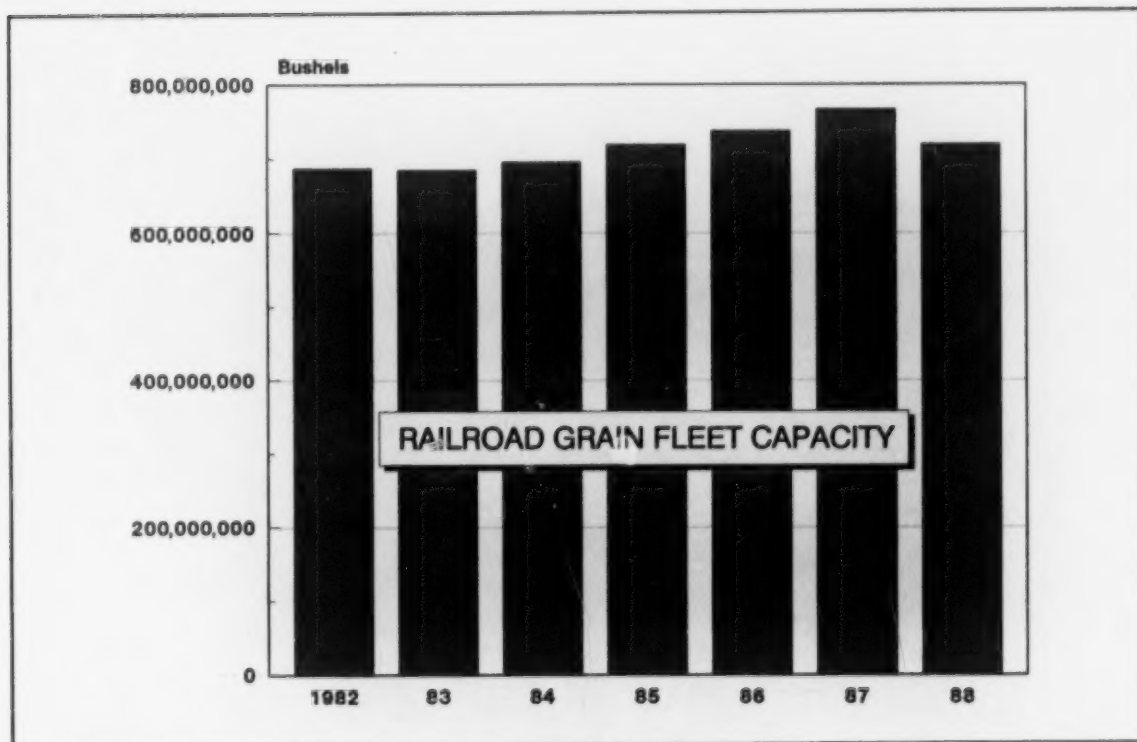
RAILROAD GRAIN FLEET

<u>Year</u>	<u>Covered Hoppers</u>	<u>Total Capacity in Bushels</u>
1982	202,121	687,211,400
1983	201,365	684,641,000
1984	207,636	695,762,400
1985	211,492	719,072,800
1986	216,957	737,653,800
1987	225,410	766,394,000
1988	211,393	718,736,000

Note: Includes both railroad and privately owned cars.
Capacity figures assume that an average covered
hopper carries 3,400 bushels.

Comparable data is not available for earlier years.

Source: AAR Transportation Division.



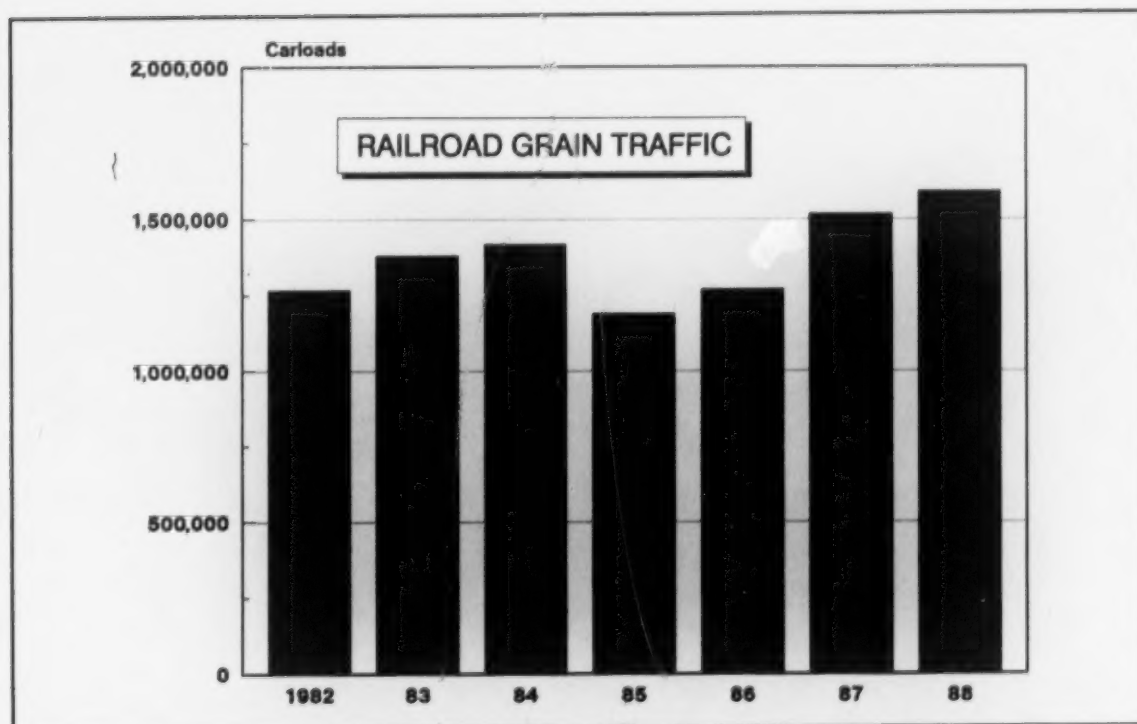
RAILROAD GRAIN TRAFFIC

Year	Carloads	Total Bushels (thous.)	Weekly Average (Mil. Bu.)
1982	1,265,367	4,213,629 ¹	81.0 %
1983	1,379,101	4,688,943	90.2
1984	1,417,188	4,818,439	92.7
1985	1,187,010	4,035,834	77.6
1986	1,268,347	4,312,380	82.9
1987	1,515,361	5,152,227	99.1
1988	1,589,871	5,405,561	104.0

¹About 5 percent of grain traffic moved in boxcars. Box cars are assumed to carry 2,000 bushels per car.

Note: Assumes an average of 3,400 bushels carried per car. Comparable data is not available for earlier years.

Source: CS-54 Freight Carloading Reports.

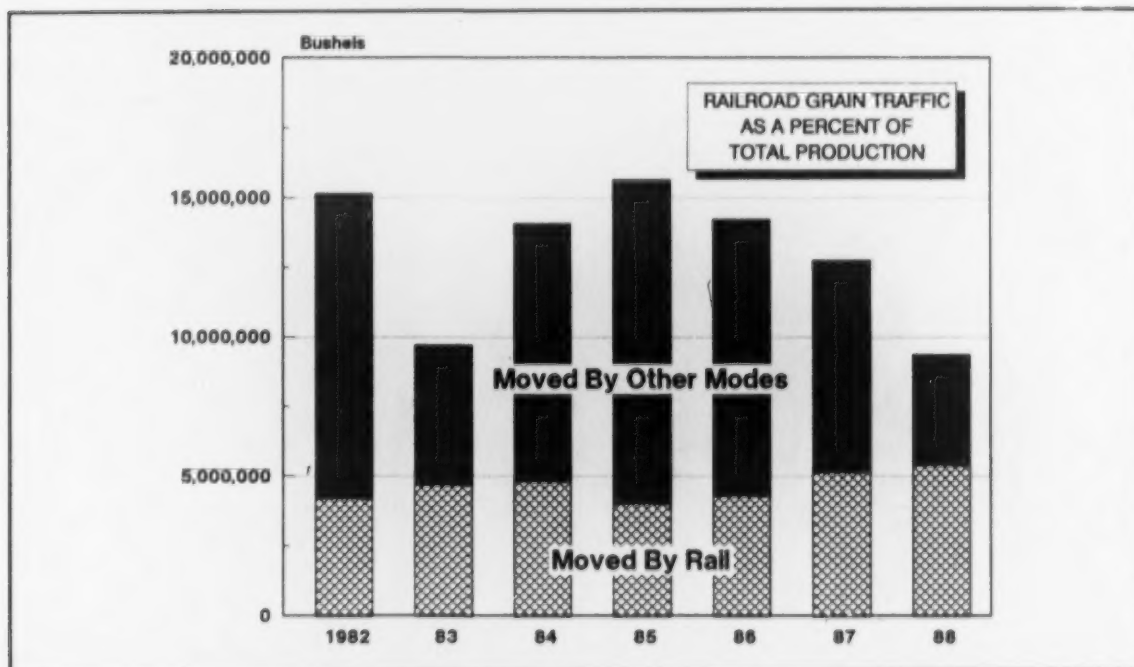


RAIL GRAIN TRAFFIC AS A PERCENT OF DOMESTIC GRAIN PRODUCTION

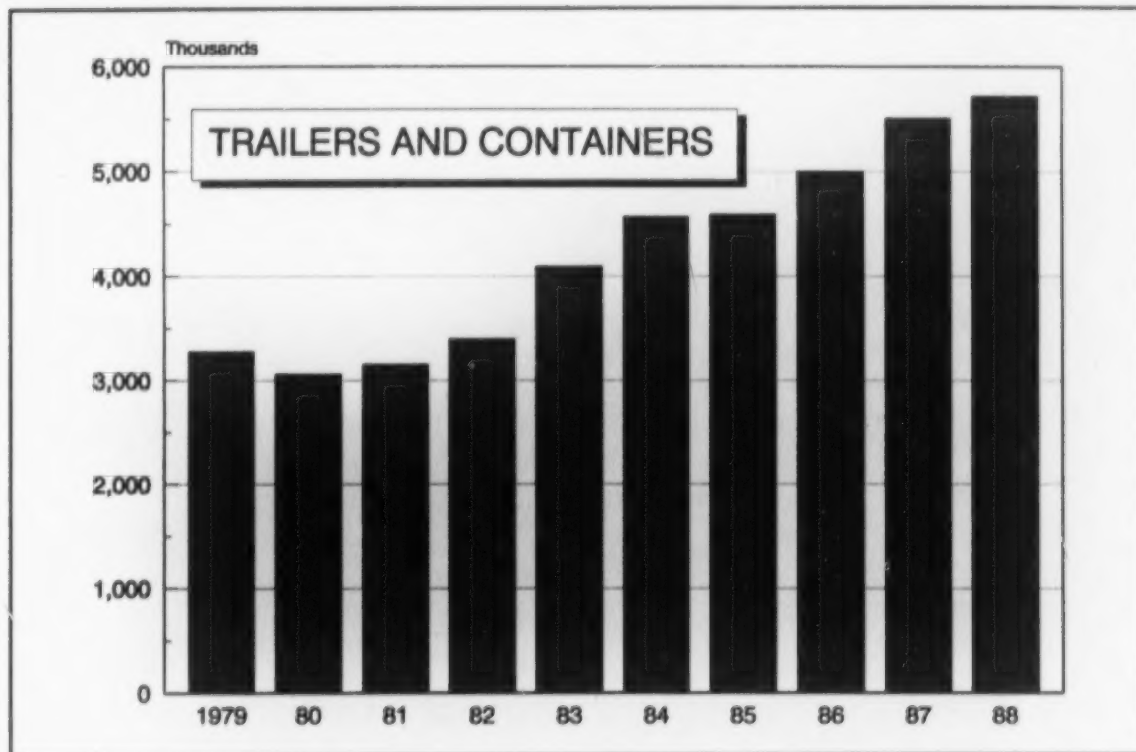
<u>Year</u>	<u>Total Bushels US Production (thousands)</u>	<u>Bushels Moved By Rail</u>	<u>Percent of Production</u>
1982	15,134,013	4,213,629	27.8 %
1983	9,703,681	4,688,943	48.3
1984	14,068,766	4,818,439	34.2
1985	15,632,796	4,035,834	25.8
1986	14,216,602	4,312,380	30.3
1987	12,745,094	5,152,227	40.4
1988	9,357,947	5,405,561	57.8

Note: Comparable data is not available for earlier years.

Source U.S. Department of Agriculture - production.



RAILROAD PIGGYBACK TRAFFIC



<u>Year</u>	<u>Trailers & Containers</u>
1979	3,278,163
1980	3,059,402
1981	3,150,522
1982	3,396,973
1983	4,090,078 ^r
1984	4,565,743 ^r
1985	4,590,952 ^r
1986	4,997,229 ^r
1987	5,503,819 ^r
1988	5,716,293 ^r

^r=revised

Note: Data includes other than Class I railroads.

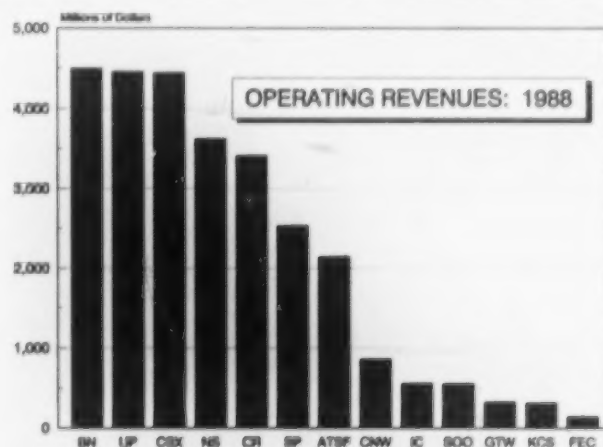
Source: AAR TD-13 TOFC/COFC Summary.

RANKING OF RAILROAD SYSTEMS BY OPERATING REVENUES: 1988

<u>System/Railroad</u>	<u>Operating Revenues (thousands)</u>	<u>Percent of Total</u>	<u>Cumulative</u>
1. Burlington Northern	\$4,499,068	16.1 %	16.1 %
2. Union Pacific Company ¹	4,455,777	16.0	32.1
Missouri-Kansas-Texas	160,605	0.6	
Union Pacific	4,295,172	15.4	
3. CSX Corporation	4,442,812	15.9	48.0
4. Norfolk Southern Corporation	3,616,652	12.9	60.9
5. Conrail	3,408,247	12.2	73.1
6. Southern Pacific Transportation Co.	2,627,667	9.4	82.5
Southern Pacific	1,948,050	7.0	
St. Louis Southwestern	387,614	1.4	
Denver and Rio Grande Western	292,003	1.0	
7. Atchison, Topeka & Santa Fe	2,140,111	7.7	90.2
8. Chicago & North Western	860,401	3.1	93.3
9. Illinois Central Gulf	556,386	2.0	95.3
10. Soo Line	550,383	1.9	97.2
11. Grand Trunk Western	324,959	1.2	98.4
12. Kansas City Southern	310,558	1.1	99.5
13. Florida East Coast	141,264	0.5	100.0
	<u>\$27,934,285</u>	<u>100.0 %</u>	

1 Missouri-Kansas-Texas reported separately for the first seven months of 1988, then was included in the Union Pacific. For the purposes of this table MKT is included in the UP.

Source: Analysis of Class I Railroads.

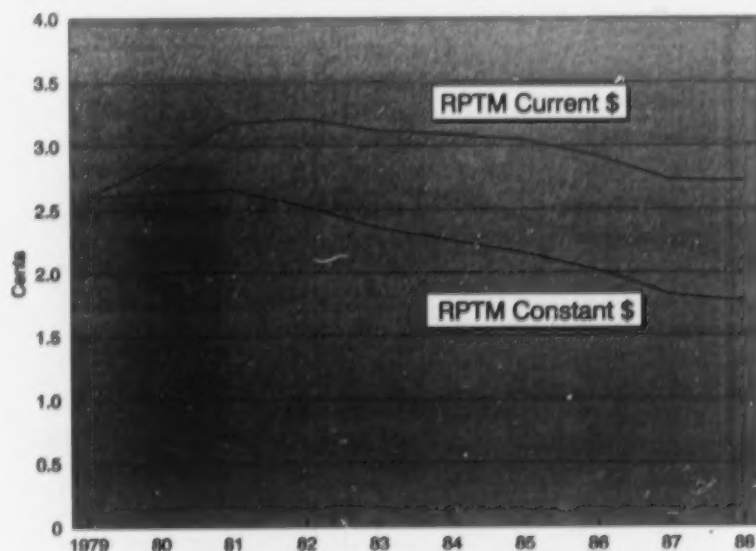


REVENUE PER TON-MILE IN CURRENT AND CONSTANT DOLLARS

Year	Freight Revenue Per Ton-Mile	
	Current \$	Constant \$
1979	2.605 ¢	2.605 ¢
1980	2.867	2.630
1981	3.178	2.657
1982	3.212	2.525
1983	3.119	2.359
1984	3.090	2.255
1985	3.043	2.157
1986	2.921	2.016
1987	2.733	1.826
1988	2.720	1.769

Note: Revenue per ton-mile deflated by the GNP Implicit Price Deflator.

Source: Analysis of Class I Railroads.



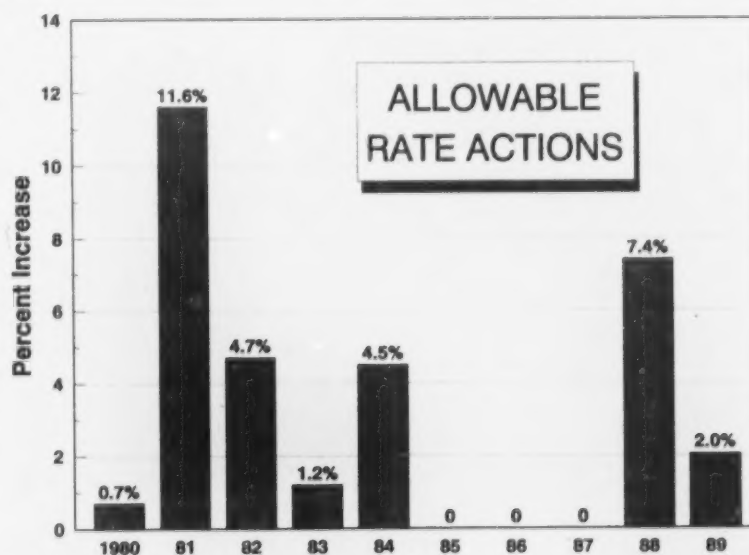
RCAF - ALLOWED RATE ACTIONS

<u>Year</u>	<u>Percent Increase</u>
1980 ¹	0.7 %
1981	11.6
1982	4.7
1983	1.2
1984	4.5
1985	0
1986 ²	0
1987	0
1988	7.4
1989	2.0

1 RCAF in effect fourth quarter only.

2 A 1.1 percent first quarter increase was required to be rolled back in the fourth quarter.

Source: AAR Railroad Cost Indexes.

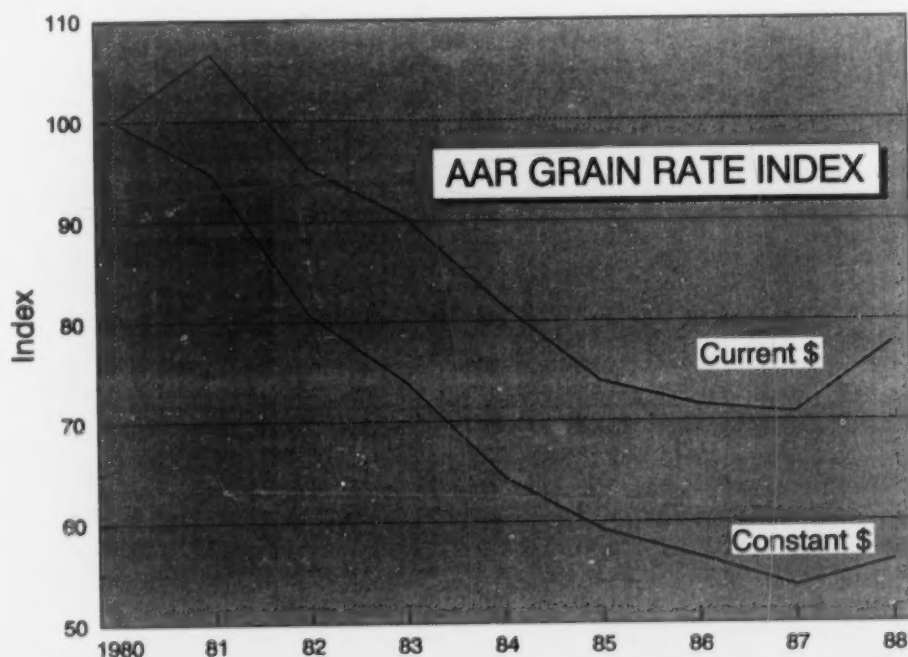


AAR GRAIN FREIGHT RATE INDEX

<u>Year</u>	<u>Current \$</u>	<u>Constant \$</u>
1980	100.0	100.0
1981	106.6	94.7
1982	95.3	80.7
1983	90.4	73.9
1984	81.5	64.4
1985	74.0	59.2
1986	71.6	56.5
1987	70.8	53.6
1988	77.7	56.1

Note: The constant dollar indexes are calculated by deflating the current dollar index by the AAR's Railroad Cost Recovery Index.

Source: AAR annual grain rate index.

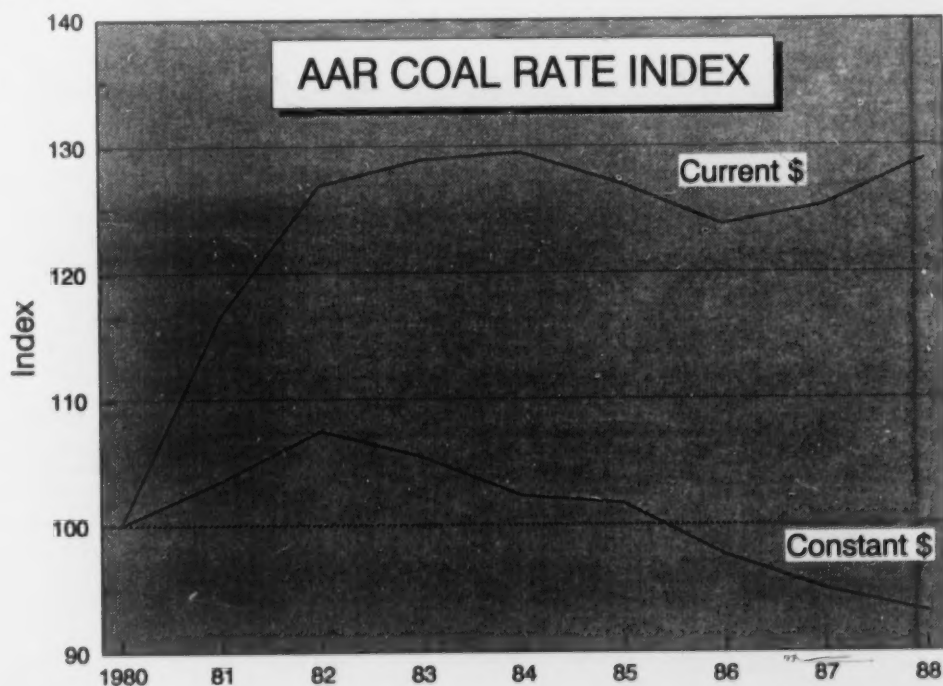


AAR COAL FREIGHT RATE INDEX

Year	Current \$	Constant \$
1980	100.0	100.0
1981	116.5	103.5
1982	126.9	107.5
1983	128.9	105.4
1984	129.5	102.3
1985	127.0	101.7
1986	123.8	97.6
1987	125.3	94.9
1988	128.9	93.1

Note: The constant dollar indexes are calculated by deflating the current dollar index by the AAR's Railroad Cost Recovery Index.

Source: AAR annual coal rate index.



FINANCIAL STATISTICS

NOTES

- Beginning in 1983, the ICC required the railroad industry to change its method of accounting for track and related structures. Track structure includes the cost of rails, ties, other track material, ballast, and track laying and surfacing labor. Prior to 1983, the RRB (Retirement, Replacement, Betterment) method was used, whereby new track structures and ensuing betterments were capitalized, but not depreciated; track repairs and replacements in kind were expensed. The original cost, less salvage value, was charged to expense only when the track structure was retired, such as in an abandonment or major realignment of the track. When railroads changed to the more traditional method of Ratable Depreciation in 1983, the ICC directed the industry to restate the value of track assets by recording the actual cost of track structure in place reduced by accumulated depreciation (based on the expired portion of the track structure's estimated useful life). Because of this change in accounting for track structures, certain pre- and post-1983 financial data are not comparable. For example, income statement and balance sheet accounts are affected by the change. On the Statement of Financial Results (income statement), in addition to the increase in depreciation expense and the decrease in maintenance expenses, the income taxes and all the income accounts including Net Railway Operating Income are affected. On the Statement of Financial Position (balance sheet), the change affected the balance in net road assets, accumulated deferred taxes, and shareholders' equity accounts. Finally, capital expenditures for road increased. The change to depreciation accounting by the railroad industry resulted in all transportation operating properties reporting on a uniform accounting basis and enhanced comparability of railroad financial reports with those of other transportation companies and other industries.
- In the years 1985 through 1987 some railroads recorded significant "special charges" to recognize the diminished value of certain assets and to record the cost associated with programs to reduce employee levels. The railroads reported these expenses in two categories: "railway operating expenses," and "unusual and infrequent items." For purposes of calculating ROI (return on investment), the ICC excluded all special charges from net railway operating income, and thus from the ROI calculation. Therefore, the ROI shown in TRENDS excludes special charges declared by the railroad industry.
- The 1985 through 1987 NROI figures shown on page 46 do not match those on page 61 due to the different treatment of special charges. The figures on page 46 include special charges as reported by the railroads. The figures on page 61 are based on those used by the ICC in Revenue Adequacy Proceedings and eliminate the effect of those special charges.
- Effective in 1988, the ICC adopted the Financial Accounting Standards Board FAS No. 95, Statement of Cash Flows. Page 45 of the TRENDS sets forth the new Statement of Cash Flows which replaces the Statement of Changes in Financial Position which was included in previous editions of TRENDS.

STATEMENT OF FINANCIAL RESULTS

	(Millions of Dollars)									
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
OPERATING REVENUES										
Freight	\$23,576	\$26,350	\$28,925	\$26,627	\$25,836	\$28,472	\$26,688	\$25,344	\$25,797	\$27,092
Passenger	389	446	542	578	109	101	103	108	94	85
All Other Revenues	1,387	62	1,432	1,299	784	880	795	752	731	757
Total Operating Revenues	\$25,352	\$26,858	\$30,899	\$27,504	\$26,729	\$29,453	\$27,586	\$26,204	\$26,622	\$27,934
OPERATING EXPENSES										
Way & Structures	\$4,601	\$4,940	\$5,536	\$5,209	\$4,107	\$4,250	\$4,333	\$4,780	\$4,338	\$4,398
Equipment	6,038	6,412	6,867	6,413	6,070	6,573	6,350	6,573	6,094	6,109
Transportation	11,392	12,711	13,606	12,366	11,377	12,282	11,722	10,197	10,381	10,827
General & Administration	2,058	2,292	2,579	2,502	2,551	2,696	2,822	3,347	3,065	3,477
Total Operating Expenses	\$24,090	\$26,355	\$28,587	\$26,490	\$24,106	\$25,800	\$25,225	\$24,896	\$23,878	\$24,811
NET REVENUE FROM OPERATIONS	\$1,263	\$1,902	\$2,312	\$1,013	\$2,623	\$3,653	\$2,361	\$1,308	\$2,744	\$3,123
OPERATING RATIO	95.02%	93.37%	92.52%	96.32%	90.19%	87.60%	91.44%	95.01%	89.69%	88.82%
OTHER INCOME	\$1,106	\$1,236	\$2,113	\$1,667	\$1,266	\$1,521	\$1,336	\$1,502	\$1,444	\$1,575
OTHER DEDUCTIONS	186	242	278	215	281	281	305	330	256	238
INCOME BEFORE FIXED CHARGES	\$2,183	\$2,897	\$4,147	\$2,465	\$3,608	\$4,893	\$3,393	\$2,480	\$3,932	\$4,460
TOTAL FIXED CHARGES	\$847	\$1,022	\$1,119	\$1,065	\$989	\$990	\$934	\$901	\$904	\$931
INCOME AFTER FIXED CHARGES	\$1,336	\$1,875	\$3,028	\$1,399	\$2,619	\$3,903	\$2,459	\$1,579	\$3,028	\$3,529
Contingent Interest	20	19	23	21	17	18	12	12	11	10
Unusual or Infrequent Items (dr.) cr.	(8)	(135)	18	114	26	1		(657)		(82)
Provision for Taxes:										
Federal	153	241	(5)	(50)	(52)	201	260	442	595	516
State & Other	57	70	50	(9)	8	54	35	47	86	13
Provision for Deferred Taxes	214	281	937	399	895	930	365	(327)	370	634
Total Taxes	\$424	\$592	\$982	\$340	\$851	\$1,185	\$660	\$163	\$1,051	\$1,162
NET INCOME FROM CONTING. OPERATIONS	\$884	\$1,129	\$2,041	\$1,152	\$1,778	\$2,702	\$1,788	\$747	\$1,965	\$2,275
Discontinued Operations (dr.) cr.	--	--	--	--	--	(48)	--	--	--	11
ORDINARY INCOME	\$884	\$1,129	\$2,041	\$1,152	\$1,778	\$2,654	\$1,788	\$747	\$1,965	\$2,286
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES (dr.) cr.	30	--	100	--	20	47	93	(303)	90	96
NET INCOME	\$913	\$1,129	\$2,141	\$1,152	\$1,797	\$2,701	\$1,882	\$544	\$2,055	\$2,382

STATEMENT OF FINANCIAL POSITION

(Millions of Dollars)

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
ASSETS										
Current Assets:										
Cash & Short Term Investments	\$1,577	\$1,864	\$2,807	\$2,915	\$2,660	\$3,336	\$2,677	\$2,692	\$2,353	\$1,903
Accounts Receivable (Net)	4,364	4,723	4,728	4,042	4,623	4,814	5,070	4,879	4,421	4,916
Materials and Supplies	1,610	1,795	1,724	1,516	1,175	1,294	1,145	928	866	925
Other Current Assets	230	295	405	341	347	377	458	635	576	659
Total Current Assets	\$7,781	\$8,678	\$9,665	\$8,813	\$8,804	\$9,821	\$9,350	\$9,132	\$8,216	\$8,403
Total Other Assets	\$5,107	\$5,571	\$6,273	\$5,923	\$5,694	\$5,677	\$4,627	\$3,074	\$3,177	\$3,983
Road and Equipment:										
Road	\$16,940	\$18,268	\$19,642	\$20,676	\$36,943	\$39,129	\$41,161	\$42,355	\$42,888	\$44,615
Equipment	21,020	22,921	23,718	23,688	22,624	22,321	21,908	21,475	21,197	21,414
Unallocated Items	834	820	688	647	874	973	756	795	1,203	1,051
Accum. Depr. & Amort.	10,201	10,744	11,537	11,980	19,526	19,879	19,638	20,889	21,099	21,797
Net Road and Equipment	\$28,593	\$31,265	\$32,512	\$33,031	\$40,916	\$42,545	\$44,186	\$43,736	\$44,188	\$45,283
TOTAL ASSETS	\$41,480	\$45,514	\$48,450	\$47,767	\$55,414	\$58,043	\$58,163	\$55,942	\$55,581	\$57,669
LIABILITIES										
Current Liabilities:										
Accounts Payable	\$5,012	\$5,545	\$5,515	\$5,468	\$5,458	\$5,886	\$6,193	\$6,347	\$5,934	\$6,281
Taxes Accrued	572	610	600	553	564	595	539	588	697	676
Other Current Liabilities	629	617	511	410	452	516	521	482	547	634
Equip. Obligatns. & Other LTD										
Due Within One Year	1,002	985	1,048	1,011	1,004	980	1,015	972	1,004	1,002
Total Current Liabilities	\$7,214	\$7,756	\$7,973	\$7,442	\$7,479	\$7,977	\$8,267	\$8,390	\$8,183	\$8,593
Long Term Liabilities:										
Funded Debt Unmatured	\$4,367	\$4,486	\$4,245	\$4,001	\$4,113	\$4,169	\$3,822	\$4,061	\$3,147	\$3,486
Equipment Obligations	5,624	6,164	6,204	5,741	5,131	4,691	4,353	3,927	3,454	3,177
Capital Lease Obligations	1,276	1,481	1,488	1,403	1,360	1,373	1,295	1,224	1,099	1,006
Debt in Default	207	207	170	170	141	56	0	0	0	0
Accounts Payable Affil. Co.	275	391	372	414	388	431	798	627	687	713
Accum. Deferred Income Tax Cred.	3,537	3,794	4,746	5,139	8,485	9,450	10,130	9,686	9,920	10,358
Other Long Term Liabilities	1,627	1,835	1,998	2,109	1,856	1,912	1,893	2,587	3,476	3,870
Total Long Term Liabilities	\$16,913	\$18,358	\$19,323	\$18,977	\$21,473	\$22,080	\$22,391	\$22,111	\$21,783	\$22,609
TOTAL LIABILITIES	\$24,127	\$26,114	\$27,197	\$26,419	\$28,952	\$30,057	\$30,558	\$30,501	\$29,965	\$31,301
SHAREHOLDERS' EQUITY										
Capital Stock:										
Common Stock	\$3,364	\$3,549	\$3,661	\$3,634	\$3,450	\$3,304	\$3,179	\$2,937	\$2,720	\$2,707
Preferred Stock	861	930	908	924	872	872	695	551	313	236
Total	\$4,225	\$4,478	\$4,569	\$4,558	\$4,322	\$4,176	\$3,874	\$3,489	\$3,032	\$2,943
Additional Capital	5,290	6,806	7,092	7,301	6,487	6,503	6,496	6,259	6,095	6,503
Retained Earnings	7,952	8,199	9,645	9,504	15,666	17,318	17,244	15,699	16,497	17,042
Less: Treasury Stock	114	83	53	14	14	11	9	5	8	20
Net Shareholders' Equity	\$17,353	\$19,400	\$21,353	\$21,349	\$26,461	\$27,986	\$27,605	\$25,442	\$25,616	\$26,467
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$41,480	\$45,514	\$48,450	\$47,767	\$55,414	\$58,043	\$58,163	\$55,942	\$55,581	\$57,669

STATEMENT OF CASH FLOWS

(Millions of Dollars)

Year Ended December 31,
1987 1988

Cash Generated From Continuing Operations	Income (Loss) from Continuing Operations ¹	\$1,919	\$2,275
	Adjustments to Reconcile Earnings to Cash Generated		
	Loss (Gain) on Sale or Disposal of Tangible Property and Investment	(230)	(577)
	Depreciation and Amortization Expenses	2,254	2,200
	Increase (Decrease) in Provision for Deferred Income Taxes	420	803
	Net Increase (Decrease) in Undistributed Earnings (Losses) of Affiliates	(69)	(86)
	(Increase) Decrease in Accounts Receivable	658	(478)
	(Increase) Decrease in Materials and Supplies, and Other Current Assets	31	(128)
	Increase (Decrease) in Current Liabilities Other than Debt	(362)	552
	Net Increase (Decrease) in Other-net	(132)	278
Cash Generated from Continuing Operations		4,487	4,841
Add (Subtract) Cash Generated (Paid) by Reason of Discontinued Operations and Extraordinary Items		(33)	(240)
Net Cash Generated from Operations		\$4,454	\$4,601
Investment Activities	Proceeds from Sale of Property	\$578	\$928
	Capital Expenditures	(3,042)	(3,528)
	Net Cash in Temporary Cash Investment not Qualifying as Cash Equivalents	(46)	62
	Proceeds from Sale/Repayment of Investment and Advances	261	516
	Purchase Price of Long-Term Investment and Advances	(53)	(478)
	Net Decrease (Increase) in Sinking and Other Special Funds	(27)	59
	Other	55	(183)
Cash Used for Investment Activities		(\$2,374)	(\$2,634)
Financing Activities	Proceeds from Issuance of Long-Term Debt	\$915	\$1,236
	Principal Payments of Long-Term Debt	(1,628)	(1,434)
	Proceeds from Issuance of Capital Stock	0	0
	Purchase Price of Acquiring Treasury Stock	(6)	(73)
	Cash Dividends Paid	(1,222)	(1,409)
	Other	(535)	(552)
Cash Generated from (Used for) Financing Activities		(\$1,456)	(\$2,233)
Cash and Cash Equivalents	Increase (Decrease) in Cash and Cash Equivalents	(\$295)	(\$256)
	Cash and Cash Equivalents at Beginning of the Year	1,640	1,345
	Cash and Cash Equivalents at End of the Year	\$1,345	\$1,089

¹ Income (Loss) from Continuing Operations for 1987 has been restated reflecting the adoption by certain carriers of FASB Financial Accounting Standard No. 96 Income Taxes and Burlington Northern's restatement of discontinued operations.

SUMMARY OF NET RAILWAY OPERATING INCOME

(Millions of Dollars)										
	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
Net Revenue from Operations	\$1,263	\$1,502	\$2,512	\$1,013	\$2,623	\$3,653	\$2,361	\$1,308	\$2,744	\$3,123
Less:										
Income Taxes (Current & Deferred)	424	592	982	340	851	1,185	660	163	1,051	1,162
Special Charge Adjustment ¹								659		
Income from Lease of Road & Equipment	2	3	6	3	4	2	2	2	2	14
Plus:										
Rent for Leased Roads & Equipment	24	30	37	73	70	70	46	24	65	32
NET RAILWAY OPERATING INCOME	\$861	\$1,339	\$1,361	\$742	\$1,838	\$2,537	\$1,746	\$507	\$1,756	\$1,980

¹Includes special charges reclassified by the ICC for NROI and Revenue Adequacy reporting.

DISTRIBUTION OF RAILWAY EXPENSES

(Millions of Dollars)										
CATEGORY	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
Labor (Salaries and Wages)	\$10,106	\$10,552	\$11,094	\$10,417	\$9,387	\$9,895	\$9,372	\$8,675	\$8,429	\$8,413
Health & Welfare, Pensions	739	809	1,050	1,058	992	1,105	779	769	797	914
Payroll Taxes	1,634	1,630	1,889	1,953	1,795	2,054	2,122	2,183	2,097	2,189
Other Taxes	571	674	516	376	324	620	682	871	1,086	1,048
Fuel & Power	2,341	3,269	3,765	3,019	2,595	2,780	2,445	1,486	1,663	1,564
Other Materials & Supplies & Miscellaneous	5,131	5,637	6,003	5,270	3,883	4,275	4,589	5,575	4,557	4,939
Loss & Damage, Injuries & Insurance	917	968	914	855	757	843	921	1,024	1,245	1,256
Depreciation	1,035	1,155	1,219	1,244	1,833	1,897	2,192	3,032	2,249	2,208
Hire of Equip. & Joint Facility Net Rents	1,805	1,944	2,151	2,270	2,431	2,518	2,373	2,409	2,370	2,790
Provision for Deferred Taxes	214	281	937	399	895	930	365	(327)	370	634
TOTAL EXPENSES AND TAXES	\$34,402	\$35,919	\$39,538	\$36,761	\$34,802	\$36,917	\$35,940	\$35,697	\$34,967	\$35,964

PERCENT DISTRIBUTION										
CATEGORY	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
Labor (Salaries and Wages)	41.3 %	39.2 %	37.6 %	38.9 %	37.7 %	36.8 %	36.3 %	33.8 %	33.9 %	32.4 %
Health & Welfare, Pensions	3.0	3.0	3.6	4.0	4.0	4.1	3.0	3.0	3.2	3.5
Payroll Taxes	6.7	6.1	6.4	7.3	7.2	7.6	8.2	8.5	8.4	8.4
Other Taxes	2.3	2.5	1.7	1.0	1.3	2.3	2.6	3.4	4.4	4.1
Fuel & Power	9.6	12.1	12.7	11.3	10.4	10.3	9.5	5.8	6.7	6.0
Other Materials & Supplies & Miscellaneous	20.9	20.9	20.3	19.7	15.6	15.9	17.8	21.7	18.3	19.0
Loss & Damage, Injuries & Insurance	3.7	3.6	3.1	3.2	3.0	3.1	3.6	4.0	5.0	4.8
Depreciation	4.2	4.3	4.1	4.6	7.4	7.0	8.5	11.8	9.0	8.5
Hire of Equip. & Joint Facility Net Rents	7.4	7.2	7.3	8.5	9.8	9.4	9.2	9.4	9.5	10.8
Provision for Deferred Taxes	0.9	1.0	3.2	1.5	3.6	3.5	1.4	-1.3	1.5	2.5
TOTAL EXPENSES AND TAXES	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

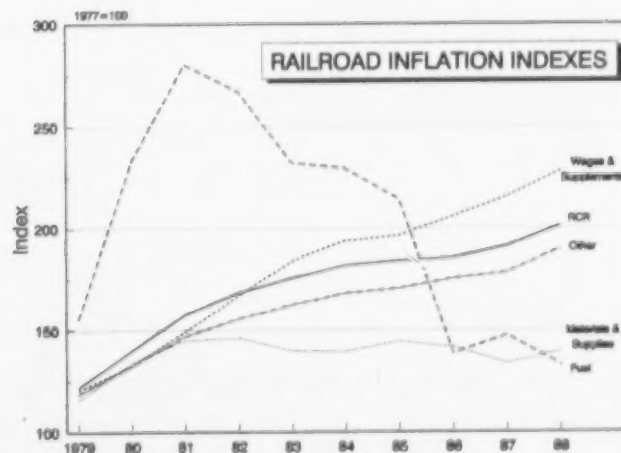
RAILROAD INFLATION

(1977=100)

Year	Railroad Cost Recovery Index	Wages and Supplements	Materials and Supplies	Fuel	Other Expenses
1979	122.1	120.8	116.4	155.5	119.0
1980	140.1	132.5	134.2	233.1	132.6
1981	157.7	149.4	145.2	280.2	147.2
1982	168.3	167.0	146.3	267.1	155.7
1983	175.5	184.2	140.0	232.2	162.4
1984	181.7	193.9	139.6	229.4	167.9
1985	183.9	196.7	144.6	214.5	170.2
1986	185.3	206.1	141.6	138.4	175.2
1987	191.2	215.7	133.9	147.4	178.4
1988	201.3	228.3	139.7	133.0	189.8

Note: Other expenses includes equipment rents, purchased services, depreciation, interest, taxes (other than income and payroll), and all other operating expenses.

Source: AAR Railroad Cost Indexes.



RAILROAD CAPITAL EXPENDITURES FOR ROADWAY AND EQUIPMENT

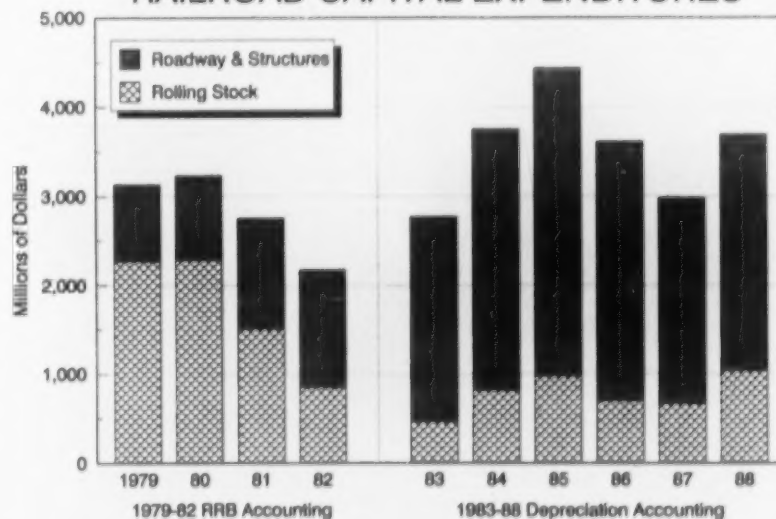
(Millions of Dollars)

Year	Capital Expenditures	Rolling Stock	Percent of Total	Roadway & Struct.	Percent of Total
1979	\$3,130	\$2,264	72.3 %	\$866	27.7 %
1980	3,234	2,280	70.5	953	29.5
1981	2,750	1,502	54.6	1,248	45.4
1982	2,166	848	39.2	1,318	60.8
1983	2,761	455	16.5	2,306	83.5
1984	3,744	806	21.5	2,938	78.5
1985	4,423	965	21.8	3,458	78.2
1986	3,601	693	19.2	2,908	80.8
1987	2,971	657	22.1	2,314	77.9
1988	3,681	1,027	27.9	2,654	72.1

Note: Rolling stock includes cars, locomotives and cabooses. Roadway includes terminals, track, bridges and structures, classification yards and port terminals. The substantial increase in capital expenditures for Roadway and Structures since 1983 is attributable in part to the change to Depreciation Accounting.

Source: Analysis of Class I Railroads.

RAILROAD CAPITAL EXPENDITURES

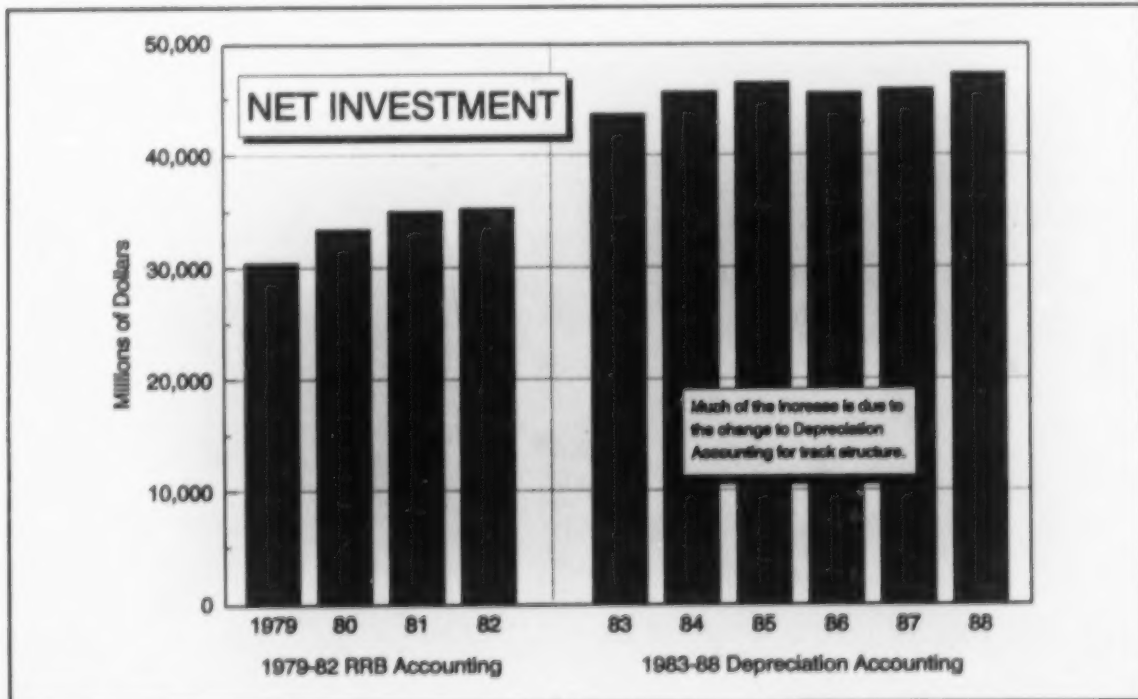


RAILROAD PROPERTY INVESTMENT

(Millions of Dollars)

At Year End	Investment Property Used In Railroad Service	Working Capital Allowed	Gross Investment	Accumulated Depreciation and Amortization	Net Investment
1979	\$38,975	\$1,818	\$40,793	\$10,354	\$30,439
1980	42,107	2,159	44,266	10,847	33,419
1981	44,175	2,444	46,619	11,622	34,997
1982	45,140	2,172	47,311	12,051	35,261
1983	61,066	1,897	62,964	19,480	43,483
1984	63,306	2,228	65,534	20,098	45,435
1985	64,074	1,919	65,993	19,756	46,237
1986	64,602	1,681	66,284	20,940	45,344
1987	65,121	1,639	66,760	21,070	45,690
1988	66,895	1,655	68,550	21,497	47,053

Source: Analysis of Class I Railroads.

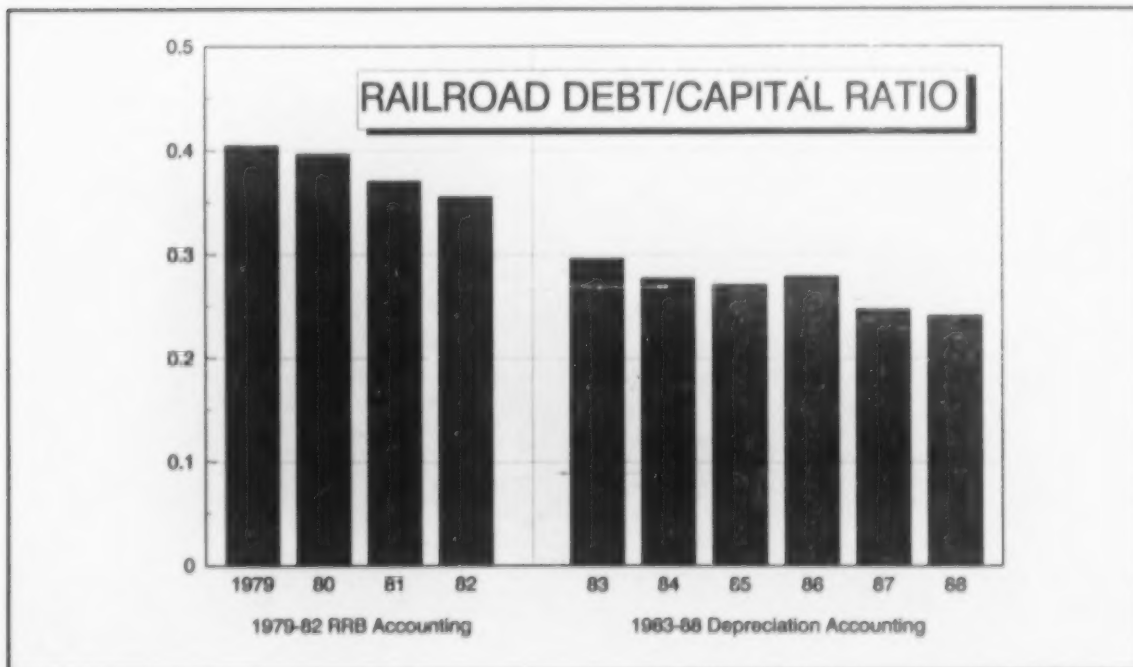


RAILROAD DEBT / CAPITAL RATIO

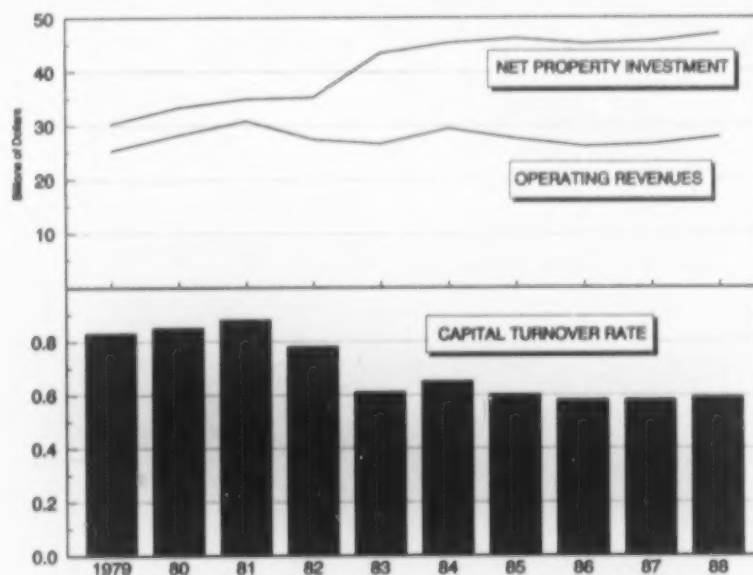
(Millions of Dollars)

<u>Dec. 31</u>	<u>Long-Term Debt</u>	<u>Total Capital</u>	<u>Debt/ Capital Ratio</u>
1979	\$11,750	\$29,103	.404
1980	12,730	32,130	.396
1981	12,479	33,732	.370
1982	11,729	33,078	.355
1983	11,132	37,594	.296
1984	10,719	38,705	.277
1985	10,267	37,873	.271
1986	9,838	35,280	.279
1987	8,387	34,003	.247
1988	8,381	34,848	.241

Source: Analysis of Class I Railroads.



RAILROAD INVESTMENT TURNOVER



(Millions of Dollars)

Year	Operating Revenues	Net Property Investment	Capital Turnover Rate
1979	\$25,352	\$30,439	.83
1980	28,258	33,419	.85
1981	30,899	34,997	.88
1982	27,504	35,261	.78
1983	26,729	43,483	.61
1984	29,453	45,435	.65
1985	27,586	46,237	.60
1986	26,204	45,344	.58
1987	26,622	45,690	.58
1988	27,934	47,053	.59

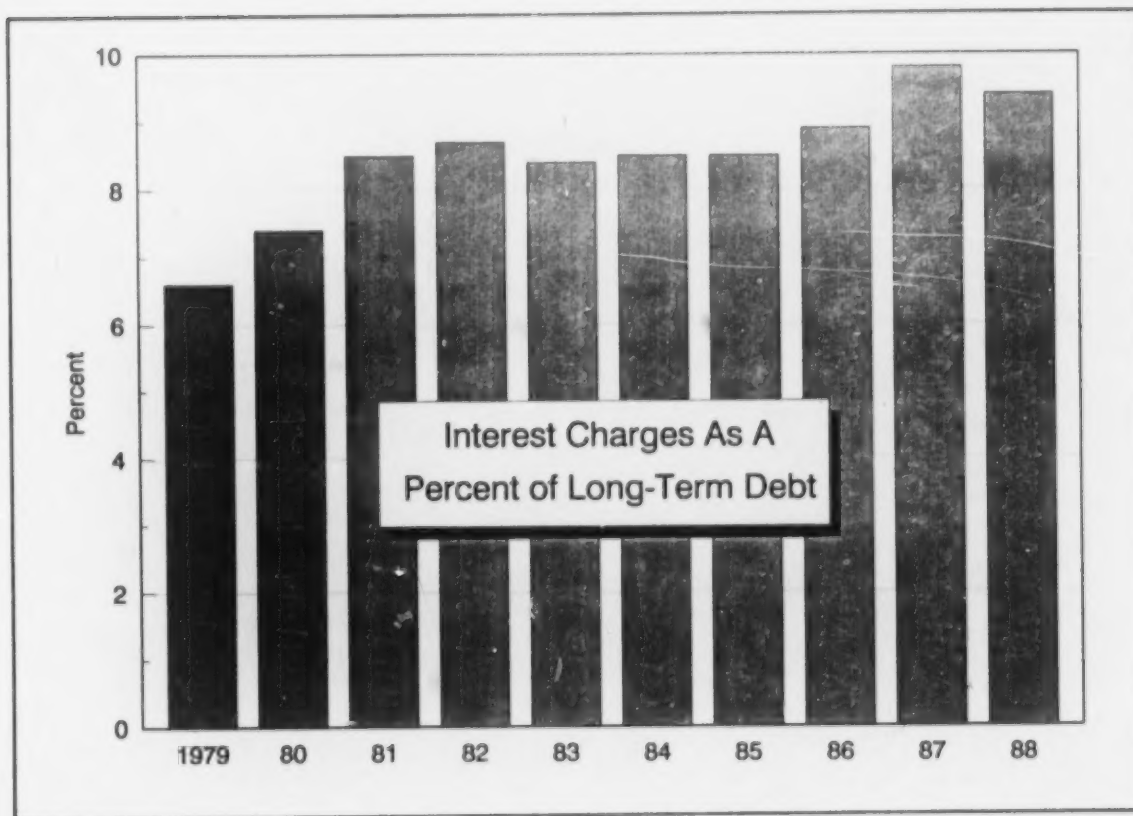
Note: The increase in net property investment in 1983 is attributable in large part to the change to Depreciation Accounting for track structures. Net property investment includes an allowance for working capital.

Source Analysis of Class I Railroads.

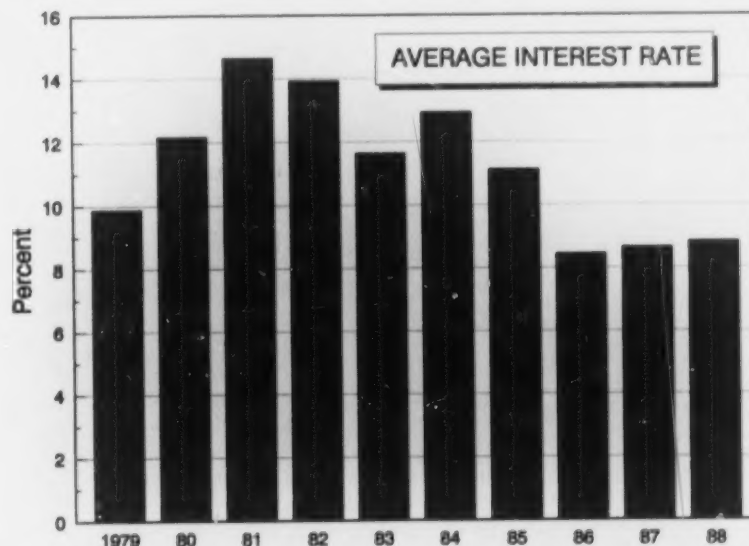
RAILROAD LONG-TERM DEBT AND INTEREST CHARGES

(Millions of Dollars)			
Year	Long-Term Debt Due After One Year	Interest Charges On Funded Debt	Interest Charges As A Percent of Long- Term Debt
1979	\$11,750	\$773	6.6 %
1980	12,730	940	7.4
1981	12,479	1,057	8.5
1982	11,729	1,019	8.7
1983	11,133	939	8.4
1984	10,718	916	8.5
1985	10,267	877	8.5
1986	9,838	875	8.9
1987	8,387	819	9.8
1988	8,381	791	9.4

Source: Analysis of Class I Railroads.



EQUIPMENT OBLIGATIONS



(Millions of Dollars)

<u>Year</u>	<u>Issued During Year</u>	<u>Outstanding At End of Year</u>	<u>Average Interest Rate on Issues During Year</u>
1979	\$850.6	\$5,624.4	9.88 %
1980	1,043.4	6,164.1	12.17
1981	704.8	6,204.4	14.65
1982	251.5	5,740.8	13.93
1983	236.5	5,130.8	11.63
1984	221.0	4,690.7	12.92
1985	569.8	4,352.9	11.12
1986	161.3	3,927.3	8.44
1987	140.3	3,454.0	8.64
1988	155.7	3,176.9	8.83

Note: Average interest rates are based on "Analytical Record of Yields and Yield Spreads," Salomon Brothers, Inc.

Source: Analysis of Class I Railroads and Salomon Brothers, Inc.

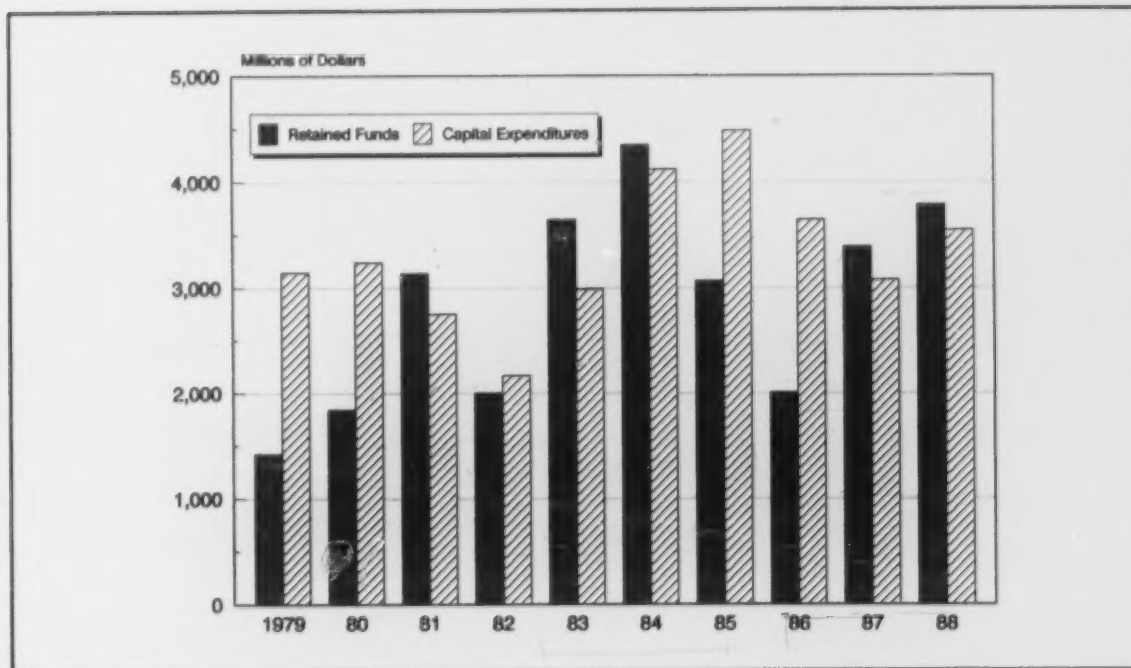
RETAINED FUNDS AND CAPITAL EXPENDITURES

(Millions of Dollars)

Year	Retained Funds	Capital Expenditures
1979	\$1,420.7	\$3,145.0
1980	1,842.4	3,238.4
1981	3,136.7	2,751.0
1982	2,003.1	2,167.8
1983	3,645.0	2,984.7
1984	4,349.6	4,120.6
1985	3,066.8	4,485.3
1986	2,004.7	3,645.3
1987	3,388.1	3,075.7
1988	3,784.1	3,545.7

Note: Retained funds represents income before extraordinary charges, plus deferred taxes and depreciation, less cash dividends and equity in undistributed earnings of affiliated companies.

Source: Analysis of Class I Railroads.



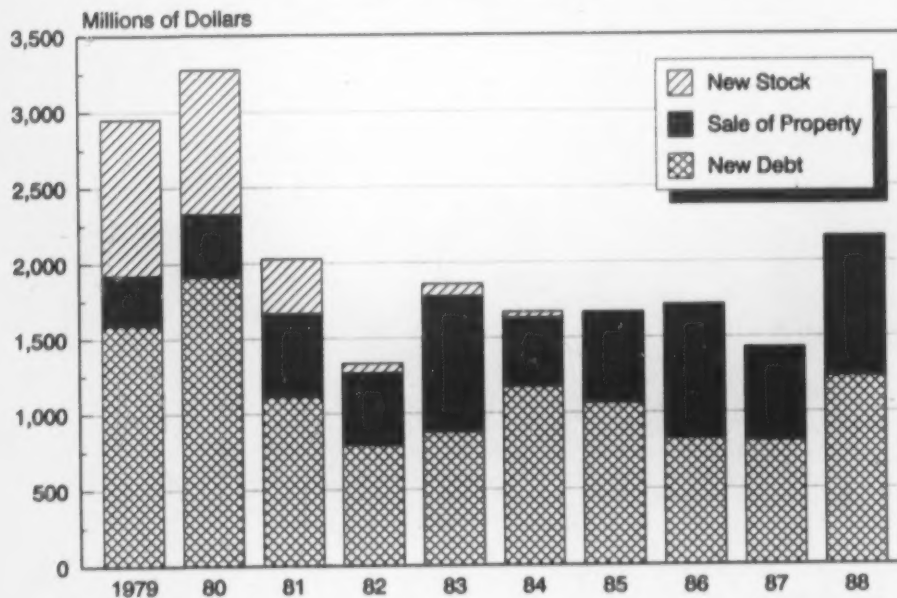
EXTERNAL SOURCES OF FUNDS

(Millions of Dollars)

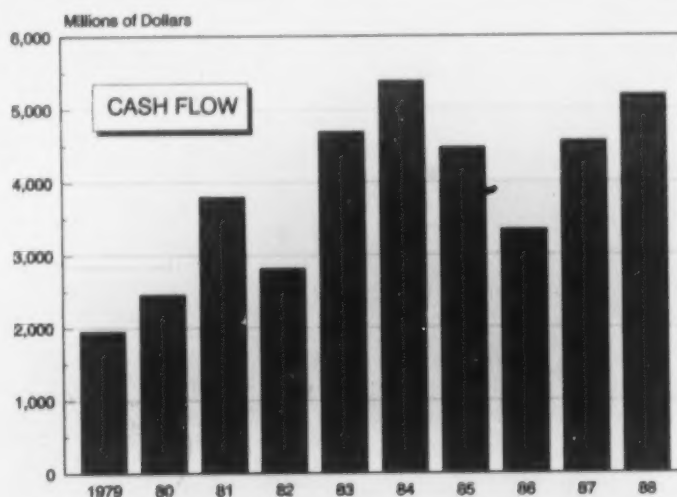
Year	New Debt	Sale of Property	New Stock	Total
1979	\$1,588	\$333	\$1,030	\$2,951
1980	1,907	418	949	3,274
1981	1,114	553	360	2,027
1982	792	477	63	1,332
1983	876	902	79	1,857
1984	1,173	456	41	1,670
1985	1,064	601	1	1,666
1986	829	885	0	1,714
1987	811	616	0	1,427
1988	1,236	928	0	2,164

Source: Analysis of Class I Railroads.

EXTERNAL SOURCES OF FUNDS



RAILROAD CASH FLOW



(Millions of Dollars)

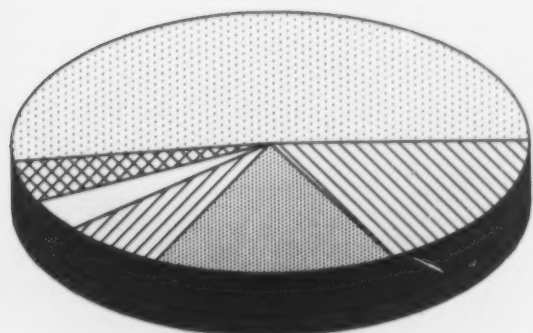
Year	Net Income ¹	Depreciation and Amortization	Deferred Taxes ²	Net Decr. (Incr.) in Subsidiary's Undistributed Income	Cash Flow ³
1979	\$884	\$1,053	\$215	(\$202)	\$1,950
1980	1,129	1,185	292	(153)	2,453
1981	2,041	1,213	926	(380)	3,800
1982	1,152	1,231	419	8	2,810
1983	1,778	1,866	1,011	36	4,691
1984	2,702	1,882	926	(122)	5,388
1985	1,788	2,193	423	69	4,473
1986	747	2,919	(316)	(6)	3,344
1987	1,965	2,252	414	(69)	4,562
1988	2,275	2,200	803	(86)	5,192

¹ Represents net income from continuing operations.² Represents net change in deferred tax liabilities.³ Sum of net income from continuing operations, depreciation and amortization, deferred taxes and net decr. (incr.) in subsidiaries' undistributed income.

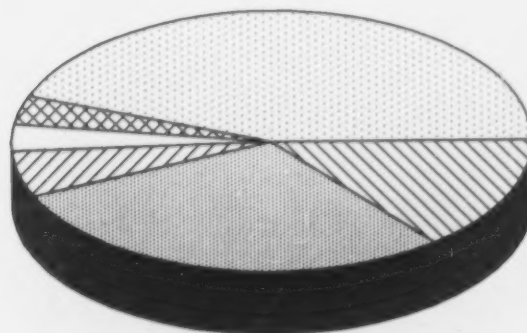
Source: Analysis of Class I Railroads.

RAILROAD TAXES

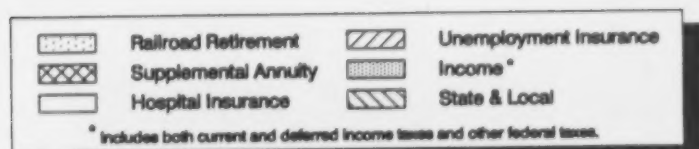
COMPOSITION OF RAILROAD TAXES 1979 VERSUS 1988



1979



1988



(Thousands of Dollars)

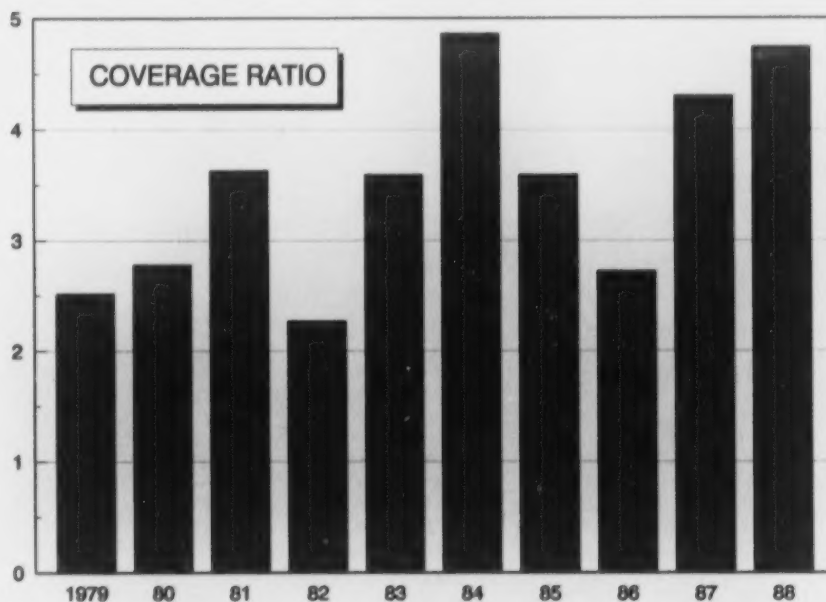
Year	Payroll Taxes				Federal Taxes			State Local & Foreign Taxes	Total
	Railroad Retirement	Supplemental Annuity	Hospital Insurance	Unemployment Insurance	Income	Other	Deferred Taxes		
1979	\$1,253,792	\$124,755	\$98,319	\$157,024	\$152,586	\$679	\$213,837	\$417,522	\$2,418,414
1980	1,298,236	113,093	101,564	116,886	249,764	1,223	281,465	423,111	2,585,342
1981	1,471,158	126,066	124,444	167,124	(4,506)	2,323	936,578	456,990	3,280,178
1982	1,549,642	128,852	128,054	146,160	(49,567)	1,394	399,188	324,406	2,628,119
1983	1,426,078	123,098	122,945	123,457	(51,805)	909	894,813	375,113	3,013,608
1984	1,600,941	136,595	132,076	184,528	200,693	290	930,284	419,446	3,604,853
1985	1,687,468	123,594	134,510	176,286	259,507	76	365,060	422,102	3,168,603
1986	1,725,471	124,274	135,846	197,017	442,436	753	(326,542)	428,380	2,727,625
1987	1,625,436	123,963	134,684	212,591	594,991	2,255	369,871	488,933	3,552,724
1988	1,705,547	135,354	127,576	220,561	489,548	4,033	633,789	554,737	3,871,145

Source: Analysis of Class I Railroads.

RAILROAD COVERAGE RATIO

(Millions of Dollars)			
<u>Year</u>	<u>Income Before Fixed Charges And Federal Income Taxes</u>	<u>Fixed and Contingent Interest Charges</u>	<u>Coverage Ratio of Interest Charges (times)</u>
1979	\$2,183	\$867	2.52
1980	2,897	1,041	2.78
1981	4,147	1,141	3.63
1982	2,465	1,086	2.27
1983	3,608	1,005	3.59
1984	4,893	1,007	4.86
1985	3,393	945	3.59
1986	2,480	913	2.72
1987	3,932	915	4.30
1988	4,460	941	4.74

Source: Analysis of Class I Railroads.

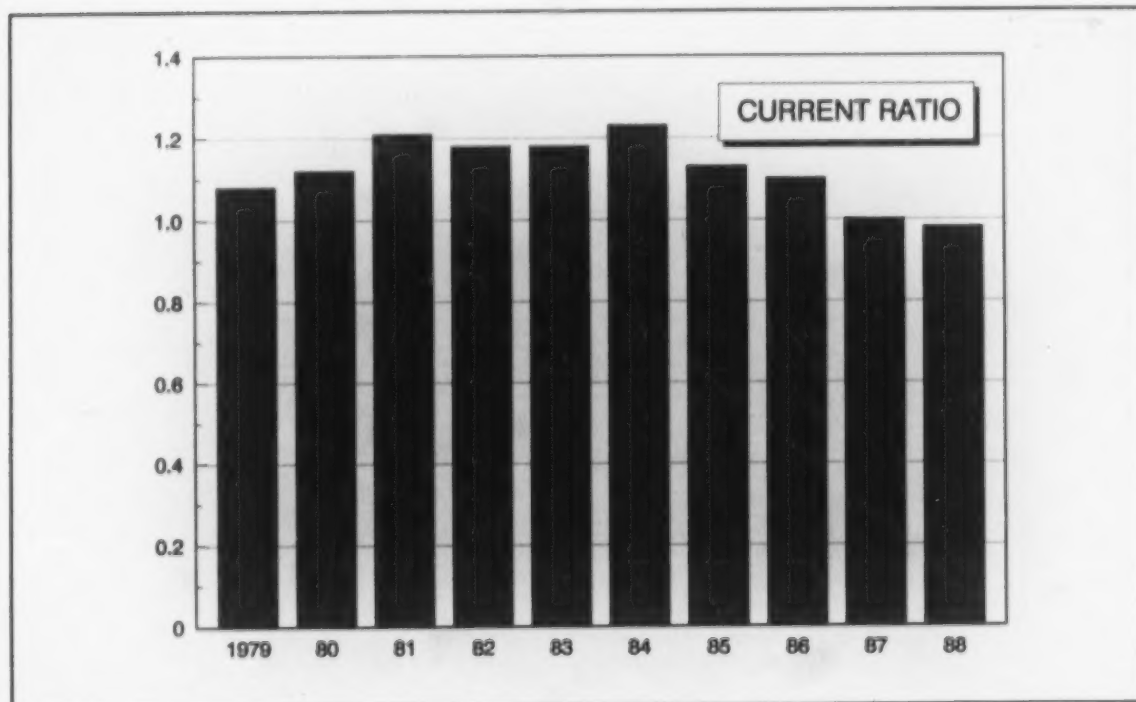


RAILROAD WORKING CAPITAL AND CURRENT RATIO

(Millions of Dollars)

<u>Year</u>	<u>Current Assets</u>	<u>Current Liabilities</u>	<u>Net Working Capital</u>	<u>Current Ratio</u>
1979	\$7,781	\$7,214	\$567	1.08
1980	8,678	7,756	921	1.12
1981	9,665	7,973	1,692	1.21
1982	8,813	7,442	1,372	1.18
1983	8,804	7,479	1,325	1.18
1984	9,821	7,977	1,844	1.23
1985	9,350	8,267	1,084	1.13
1986	9,132	8,390	743	1.10
1987	8,216	8,182	34	1.00
1988	8,403	8,593	(190)	.98

Source: Analysis of Class I Railroads.



RAILROAD COST OF DEBT AND EQUITY CAPITAL

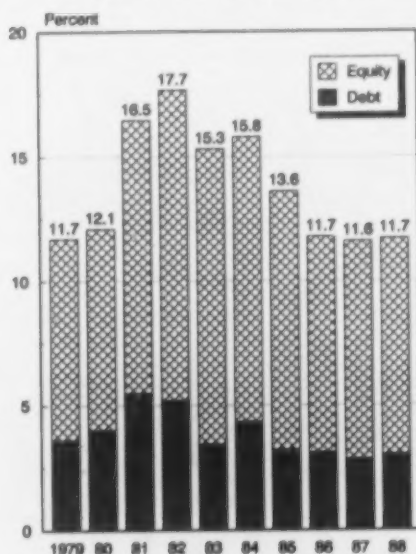
Year	Debt ¹	Equity ²	Total	Capital Structure	
				Debt	Equity
1979	9.0 %	13.5 %	11.7 %	40.0 %	60.0 %
1980	10.0	13.5	12.1	40.0	60.0
1981	13.7	18.3	16.5	40.0	60.0
1982	14.0	19.8	17.7	37.0	63.0
1983	11.7	16.8	15.3	29.4	70.6
1984	12.8	17.3	15.8	33.9	66.1
1985	11.1	14.6	13.6	28.8	71.2
1986	8.9	13.3	11.7	34.8	65.2
1987	9.3	12.6	11.6	30.6	69.4
1988	9.7	12.6	11.7	31.0	69.0

¹Based on current cost of debt.

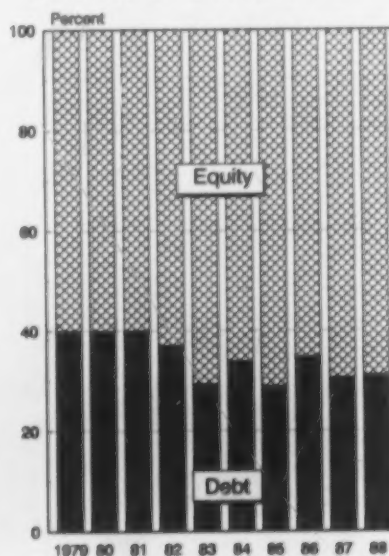
²1985-1988 is a weighted average of common and preferred equity.

Source: ICC Ex Parte decisions.

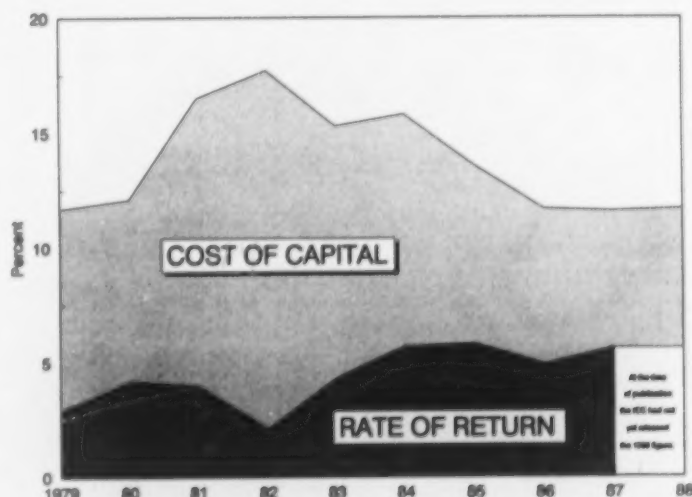
COST OF CAPITAL



CAPITAL STRUCTURE



RAILROAD RATE OF RETURN ON NET INVESTMENT AND COST OF CAPITAL



(Millions of Dollars)

Year	Net Railway Operating Income	Average Net Investment	Rate of Return on Net Investment	ICC Cost of Capital
1979	\$861	\$29,344	2.9 %	11.7 %
1980	1,339	31,694	4.2	12.1
1981	1,361	34,201	4.0	16.5
1982	742	35,129	2.1	17.7
1983	1,838	42,851	4.3	15.3
1984	2,537	44,459	5.7	15.8
1985	2,191	37,714	5.8	13.6
1986	1,843	37,366	4.9	11.7
1987	2,089	37,064	5.6	11.6
1988	NA	NA	NA	11.7

NA At the time of publication the ICC had not yet released these figures.

Notes: Data for 1979-1982 are calculated on the basis of Retirement, Replacement, Betterment accounting system; succeeding years are on a Depreciation Accounting basis. NROI and rate of return for 1985 through 1987 are based on the ICC's decisions in Revenue Adequacy proceedings. The net railway operating income (NROI) and investment base figures for 1985 through 1987 have been adjusted to eliminate the effect of special charges on NROI and reductions of the investment base for accumulated deferred tax liabilities. Predecessor values were used where appropriate.

Source: Analysis of Class I Railroads and ICC Decisions.

RAILROAD REVENUE MARGIN

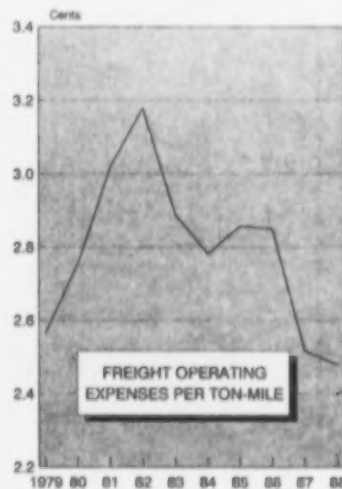
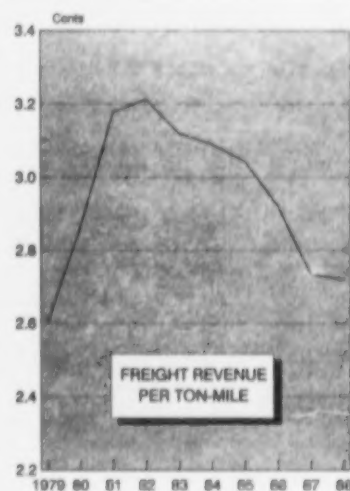
Year	Freight Revenue per Ton-Mile (cents)	Freight Operating Expenses per Ton-Mile (cents)	Freight Revenue Margin per Ton-Mile (cents)
1979	2.605	2.565	.040
1980	2.867	2.756	.111
1981	3.178	3.019	.159
1982	3.212	3.179	.033
1983	3.119	2.889	.230
1984	3.090	2.781	.309
1985	3.043	2.857	.186
1986	2.921	2.850	.071
1987	2.733	2.516	.217
1988	2.720	2.478	.242

Note: Expense figures for 1985 - 1987 include the effects of special charges. Below is a restatement of the 1985 - 1987 figures excluding special charges:

	Freight Operating Expenses per Ton-Mile (cents)	Freight Revenue Margin per Ton-Mile (cents)
1985	2.768	.275
1986	2.645	.276
1987	2.451	.282
1988	NA	NA

NA - At the time of publication the ICC had not yet released the figures necessary for this calculation.

Source: Analysis of Class I Railroads.



RAILROAD SHAREHOLDERS' EQUITY

(Millions of Dollars)

Year	Total	Capital Stock	Additional Paid In Capital	Retained Earnings
1979	\$17,353	\$4,225	\$5,290	\$7,952
1980	19,400	4,478	6,806	8,199
1981	21,253	4,569	7,092	9,645
1982	21,349	4,558	7,301	9,504
1983	26,461	4,322	6,487	15,666
1984	27,986	4,176	6,503	17,318
1985	27,605	3,874	6,496	17,244
1986	25,442	3,489	6,259	15,699
1987	25,616	3,032	6,095	16,497
1988	26,467	2,943	6,503	17,042

Note: The majority of the increase in retained earnings in 1983 was attributable to the change to Depreciation Accounting for track structure. The total column has been reduced for treasury stock.

Source: Analysis of Class I Railroads.

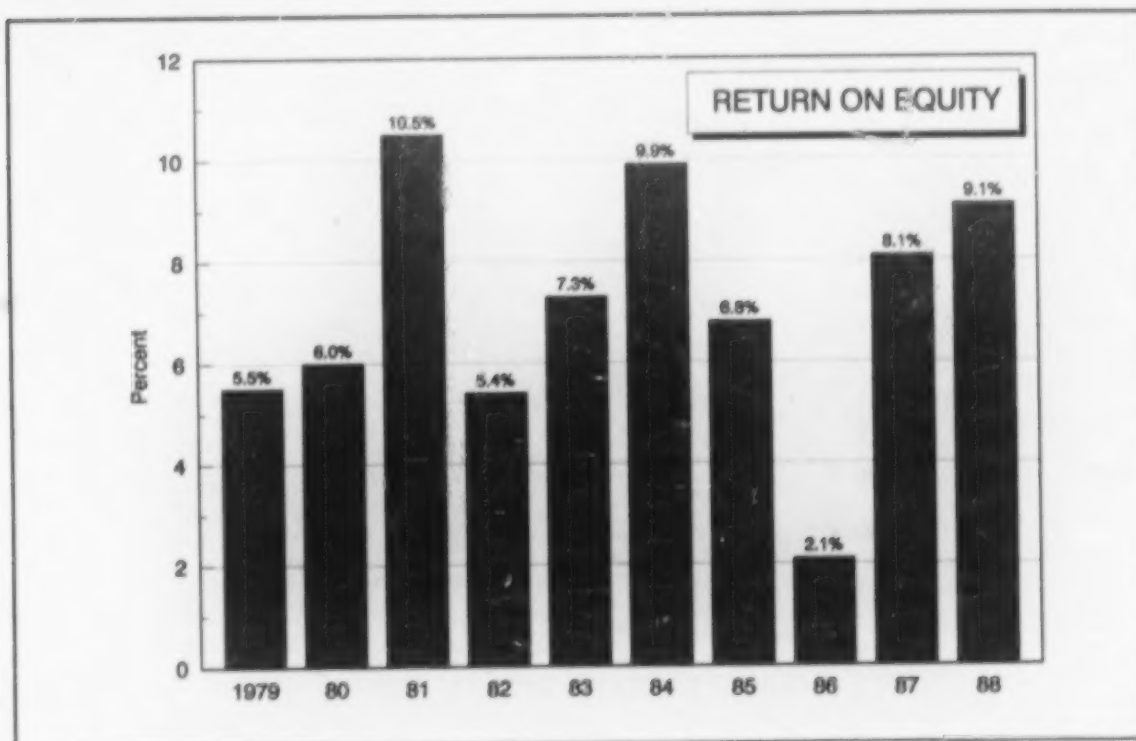
RAILROAD DIVIDEND APPROPRIATIONS

(Thousands of Dollars)

Year	Dividends (Cash and Non-Cash)		
	Common Stock	Preferred Stock	Total
1979	\$509,229	\$28,406	\$537,635
1980	469,918	35,964	505,882
1981	627,800	34,640	662,440
1982	1,008,899	29,513	1,038,414
1983	1,059,942	24,566	1,084,508
1984	1,041,182	24,483	1,065,665
1985	1,421,996	21,642	1,443,638
1986	1,363,782	12,154	1,375,936
1987	1,241,766	10,361	1,252,127
1988	1,806,475	7,085	1,813,560

Source: Analysis of Class I Railroads.

RAILROAD RETURN ON SHAREHOLDERS' EQUITY



(Millions of Dollars)

Year	Net Income	Average Shareholders' Equity	Return on Equity
1979	\$913	\$16,719	5.5 %
1980	1,129	18,777	6.0
1981	2,141	20,320	10.5
1982	1,152	21,200	5.4
1983	1,797	24,775	7.3
1984	2,701	27,172	9.9
1985	1,882	27,528	6.8
1986	544	25,969	2.1
1987	2,055	25,529	8.1
1988	2,382	26,156	9.1

Note: Net income has not been adjusted to exclude special charges.

Source: Analysis of Class I Railroads.

EMPLOYMENT

NOTES

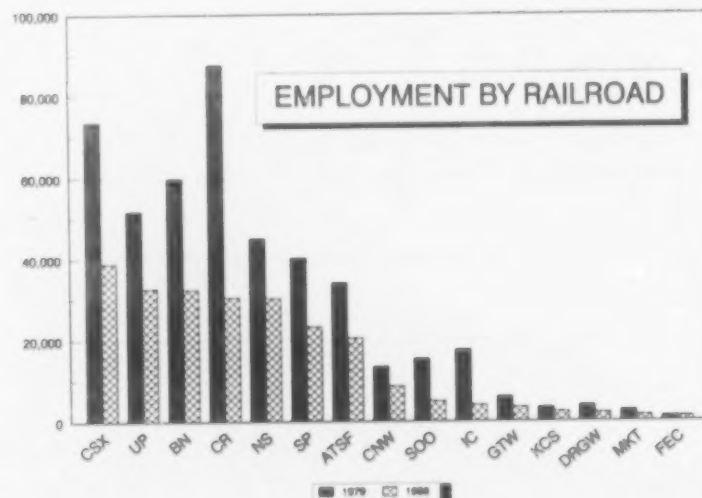
- The employee count in this section represents average annual data, while the figures on page seven reflect a period of time in 1988 when the non-Class I railroads were surveyed.
- Labor as a percent of operating expenses, as shown on page 69 differs from that shown on page 46 for several reasons. The total expenses used for the calculation on page 46 are total operating expenses, including income taxes, while those used on page 69 are freight operating expenses, excluding income taxes. Further, labor on page 46 is wages only, while on page 69 labor includes both wages and benefits.

AVERAGE NUMBER OF RAILROAD EMPLOYEES

Railroad Systems	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988
CSX Corporation	73,612	71,681	70,333	64,350	57,180	55,806	52,011	47,803	41,681	38,872
Union Pacific Corporation	51,649	50,926	49,713	42,856	40,527	40,450	37,911	33,271	31,157	32,636
Burlington Northern, Inc.	59,631	58,964	55,347	46,015	40,911	39,793	38,294	35,110	32,809	32,402
Conrail	87,511	79,574	70,264	57,704	39,820	39,044	36,331	33,768	31,428	30,487
Norfolk Southern Corporation	44,931	43,339	41,704	39,023	35,211	37,273	36,415	34,857	32,563	30,330
Southern Pacific Transp. Co.	40,126	39,551	38,561	33,720	30,733	31,379	29,557	29,425	25,109	23,279
Atchison, Topeka & Santa Fe	33,975	34,423	33,605	28,401	26,037	27,583	26,020	23,965	22,182	20,460
Chicago & North Western	13,268	14,095	14,345	11,757	10,929	11,123	10,255	9,450	8,465	8,550
Soo Line	15,206	13,011	11,793	9,537	8,372	8,529	7,549	6,549	5,499	4,877
Illinois Central	17,391	16,682	15,670	13,675	10,414	9,871	9,215	6,778	4,728	3,942
Grand Trunk Western	5,861	5,652	5,302	4,879	4,389	4,257	4,233	4,059	3,569	3,390
Kansas City Southern	3,234	3,209	3,166	2,937	2,622	2,683	2,599	2,458	2,339	2,256
Denver & Rio Grande Western	3,780	3,600	3,652	3,282	3,035	3,022	2,548	2,233	2,001	2,006
Missouri-Kansas-Texas	2,553	2,740	2,945	2,499	2,295	2,598	2,505	2,125	2,209	1,333
Florida East Coast	1,071	1,136	1,195	1,105	1,024	1,050	1,047	1,032	1,046	1,060
TOTALS	453,799	438,583	417,595	361,740	313,499	314,461	296,490	272,883	246,785	235,880

Note: Consist of roads for all years includes only those Class I railroads and predecessor railroads which are included in 1988 Class I systems (i.e., a constant 1988 consist). Therefore, totals will not agree with total employees shown elsewhere in this publication, except for 1988.

Source: Analysis of Class I Railroads.



RAILROAD EMPLOYMENT BY STATE MARCH 1989

Class I Railroads, including AMTRAK

Alabama.....	4,466	Montana.....	2,733
Alaska.....	--	Nebraska.....	11,497
Arizona.....	2,010	Nevada.....	823
Arkansas.....	4,958	New Hampshire.....	4
California.....	18,157	New Jersey.....	2,372
Colorado.....	3,882	New Mexico.....	1,924
Connecticut.....	835	New York.....	7,083
Delaware.....	1,346	North Carolina.....	3,568
Dist. of Col.....	2,549	North Dakota.....	1,937
Florida.....	7,370	Ohio.....	12,213
Georgia.....	8,744	Oklahoma.....	2,203
Hawaii.....	--	Oregon.....	3,905
Idaho.....	2,172	Pennsylvania.....	16,088
Illinois.....	19,377	Rhode Island.....	264
Indiana.....	7,294	South Carolina.....	2,538
Iowa.....	5,051	South Dakota.....	367
Kansas.....	8,815	Tennessee.....	5,871
Kentucky.....	5,687	Texas.....	17,905
Louisiana.....	3,923	Utah.....	2,629
Maine.....	1	Vermont.....	6
Maryland.....	4,495	Virginia.....	8,540
Massachusetts.....	2,488	Washington.....	5,541
Michigan.....	7,124	West Virginia.....	3,982
Minnesota.....	6,546	Wisconsin.....	2,761
Mississippi.....	1,574	Wyoming.....	2,892
Missouri.....	9,513	TOTAL U.S.....	258,023

Source: Survey by Association of American Railroads.

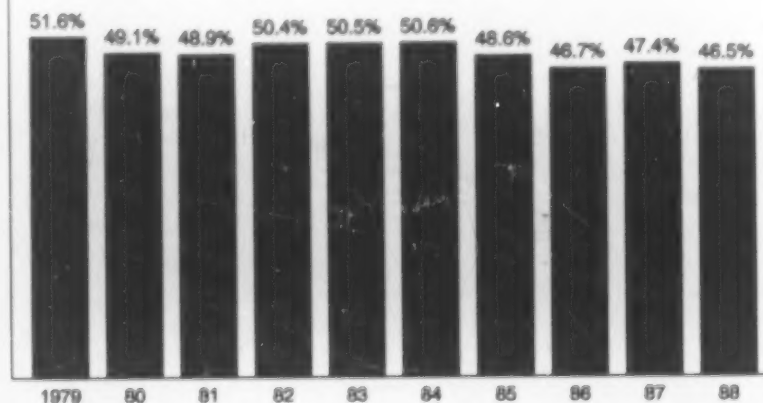
RAILROAD EMPLOYEES AND COMPENSATION

Year	Number of Employees	Total Wages (\$ mill)	Average Annual Earnings Per Empl.	Payroll Taxes (\$ mill)	Health & Welfare Benefits & Pensions (\$ mill)	Total Comp. (\$ mill)	Average Annual Comp. Per Empl.
1979	474,501	\$10,740	\$22,634	\$1,736	\$796	\$13,272	\$27,971
1980	458,332	11,318	24,695	1,748	909	13,975	30,492
1981	436,397	11,651	26,698	1,984	1,091	14,725	33,742
1982	378,904	11,010	29,058	2,064	1,118	14,192	37,456
1983	322,030	10,345	32,125	1,978	1,094	13,417	41,664
1984	323,030	11,004	34,064	2,284	1,229	14,517	44,940
1985	301,879	10,563	34,991	2,391	878	13,832	45,821
1986	275,817	9,900	35,894	2,491	877	13,268	48,106
1987	248,526	9,373	37,716	2,331	887	12,591	50,665
1988	235,880	9,301	39,431	2,420	1,038	12,759	54,093

Note: Total compensation included in this table covers both operating and capitalised labor expenses. Although total wages are available on that basis, only that portion of fringe benefits (payroll taxes, health and welfare benefits and pensions) charged to operating expenses is available. Therefore, fringe benefits charged to operating expenses have been multiplied by the ratio of total wages to wages charged to operating expenses to estimate operating and capitalised expenses for those components of compensation.

Source: Analysis of Class I Railroads.

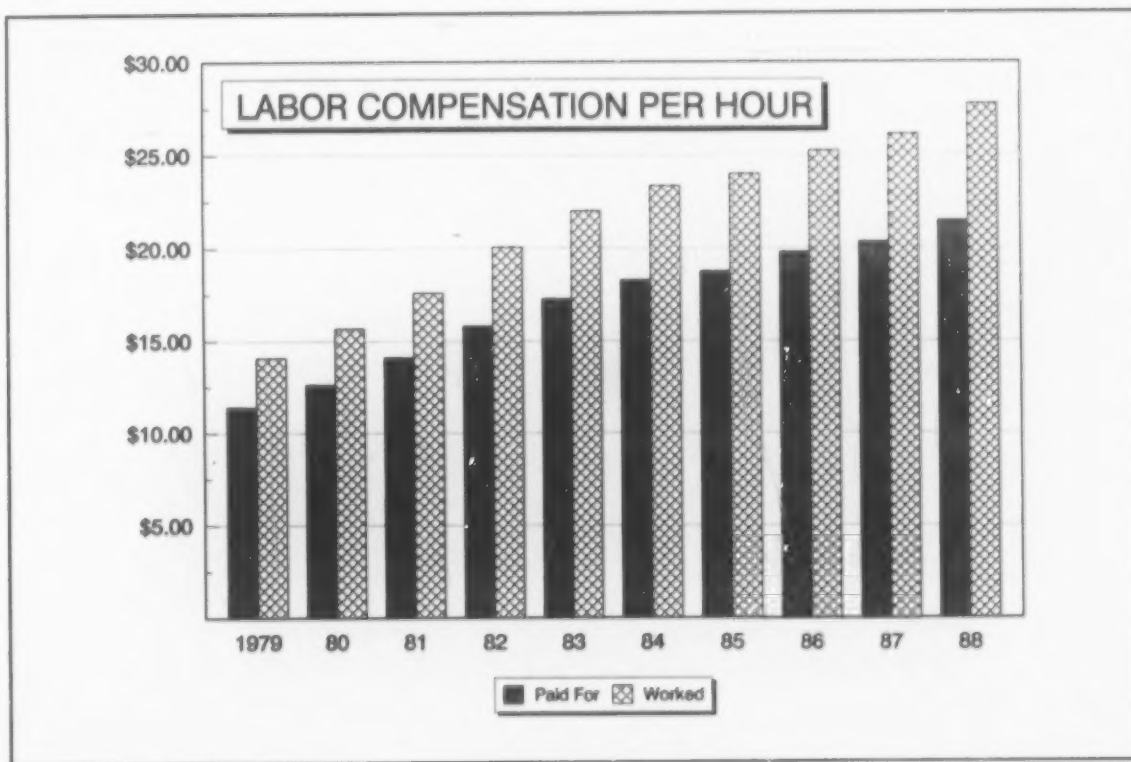
LABOR COSTS AS A PERCENTAGE OF FREIGHT OPERATING EXPENSES



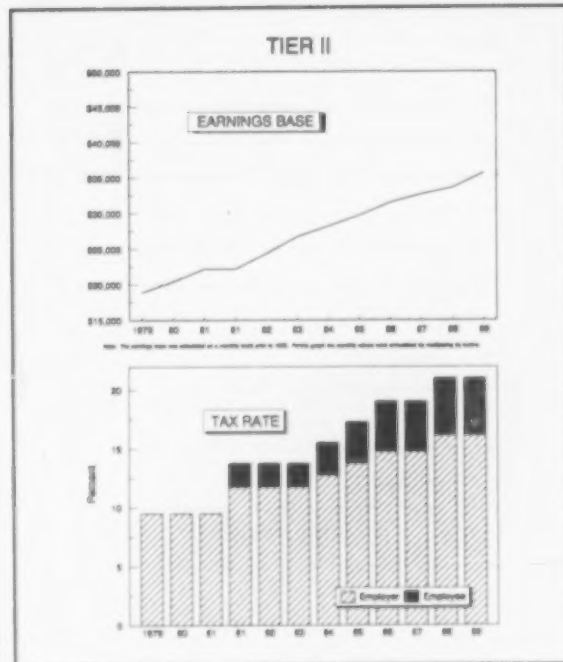
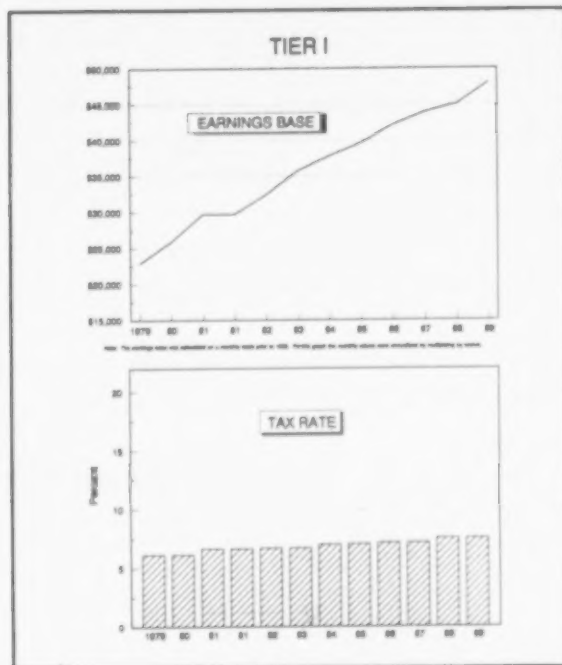
COMPENSATION PER HOUR PAID AND WORKED

Year	Labor Compensation (millions)	Employee Hours:		Labor Compensation Per Hour:	
		Paid	Worked	Paid	Worked
		(millions)	(millions)		
1979	\$13,272	1,164	943	\$11.40	\$14.07
1980	13,975	1,108	893	12.61	15.65
1981	14,725	1,046	838	14.08	17.57
1982	14,192	899	708	15.79	20.05
1983	13,417	778	610	17.25	22.00
1984	14,517	795	622	18.26	23.34
1985	13,832	739	577	18.72	23.97
1986	13,268	671	526	19.77	25.22
1987	12,591	620	482	20.31	26.12
1988	12,759	595	460	21.44	27.74

Sources: Analysis of Class I Railroads. The total labor compensation figures are those derived on page 69 (using estimated fringe benefits).



RAILROAD RETIREMENT TAX RATES



Effective Date	Tier II			Earnings Base	
	Tier I	Employee	Employer	Tier I	Tier II
Jan. 1, 1979	6.13 %	--	9.50 %	1,908	1,575
Jan. 1, 1980	6.13	--	9.50	2,158	1,700
Jan. 1, 1981	6.65	--	9.50	2,475	1,850
Oct. 1, 1981	6.65	2.00 %	11.75	2,475	1,850
Jan. 1, 1982	6.70	2.00	11.75	2,700	2,025
Jan. 1, 1983	6.70	2.00	11.75	2,975	2,225
Jan. 1, 1984	7.00	2.75	12.75	3,150	2,350
Jan. 1, 1985	7.05	3.50	13.75	39,600	29,700
Jan. 1, 1986	7.15	4.25	14.75	42,000	31,500
Jan. 1, 1987	7.15	4.25	14.75	43,800	32,700
Jan. 1, 1988	7.51	4.90	16.10	45,000	33,600
Jan. 1, 1989	7.51	4.90	16.10	48,000	35,700

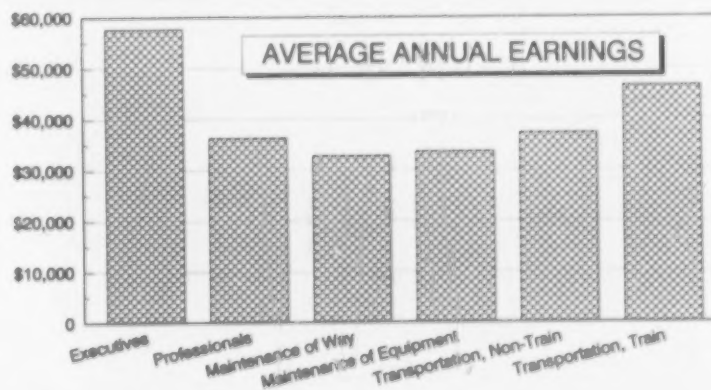
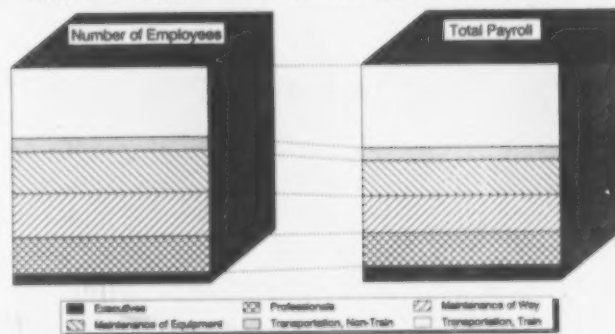
Note: Tier I rates are equally applicable to employers and employees. Employees received a 0.3 percent credit in 1984. Effective in 1985, earnings bases changed from monthly to annual.

EMPLOYMENT AND ANNUAL WAGES BY CLASS

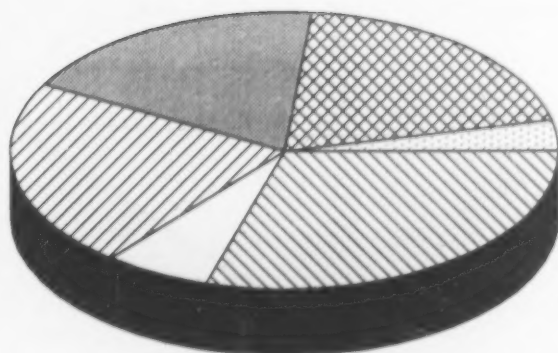
1988

<u>Employee Group</u>	<u>Average Number of Employees</u>	<u>Total Payroll (thousands)</u>	<u>Average Annual Earnings</u>
Executives, Officials and Staff Assistants	11,447	\$659,641	\$57,626
Professional and Administrative	39,819	1,444,778	36,284
Maintenance of Way and Structures	48,341	1,585,031	32,789
Maintenance of Equipment and Stores	45,209	1,518,638	33,591
Transportation, Other than Train, Engine	14,799	550,114	37,172
Transportation, Train and Engine	76,265	3,542,848	46,454
TOTAL	235,880	\$9,301,050	\$39,431

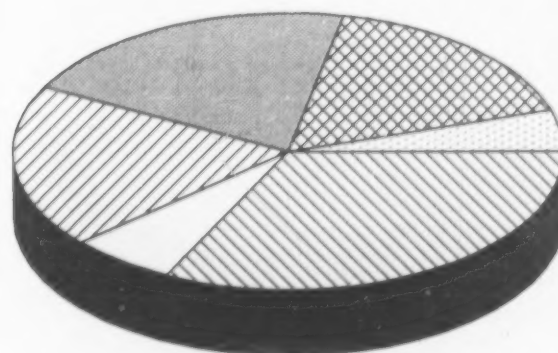
EMPLOYMENT AND PAYROLL BY CLASS



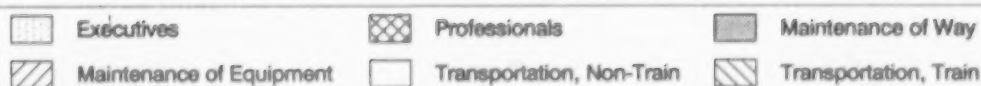
RAILROAD EMPLOYMENT BY CLASSES



1979



1988



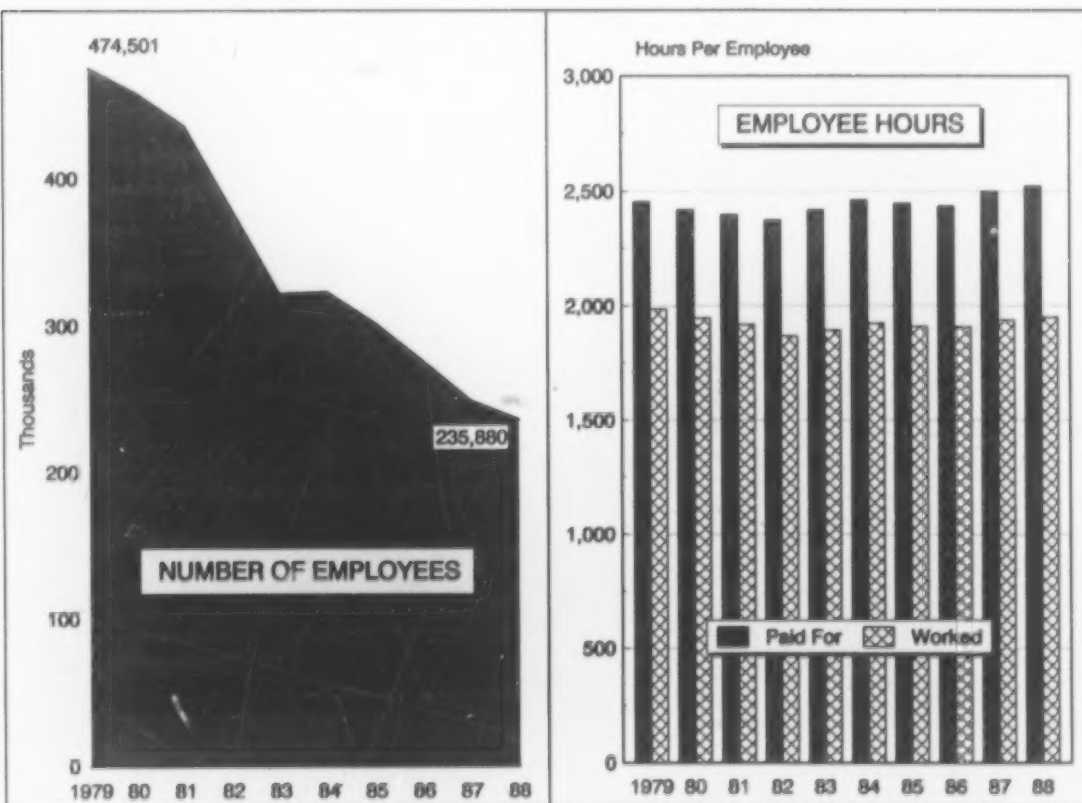
Year	Total	Executives Officials & Staff Assts.	Professional and Administrative	Maint. of Way and Structures	Maint. of Eqpt. & Stores	Transp. Other Than Train & Engine	Transp. Train & Engine
1979	474,501	16,933	94,199	87,919	104,791	29,915	140,744
1980	458,332	17,305	92,663	84,259	99,487	29,098	135,520
1981	436,397	17,550	88,738	82,725	92,668	27,432	127,284
1982	378,904	16,866	80,044	72,700	75,001	24,971	109,322
1983	322,030	14,511	68,486	64,172	58,461	20,650	95,750
1984	323,030	14,335	60,477	66,359	61,233	22,054	98,572
1985	301,879	13,619	56,901	62,058	56,104	19,796	93,401
1986	275,817	13,230	50,769	57,097	51,441	18,082	85,198
1987	248,526	12,258	44,286	50,597	47,070	16,194	78,121
1988	235,880	11,447	39,819	48,341	45,209	14,799	76,265

Source: Analysis of Class I Railroads.

RAILROAD EMPLOYEE HOURS PAID FOR AND HOURS WORKED

Year	Number of Employees	Employee Hours Paid For (Thousands)	Per Employee	Employee Hours Worked (Thousands)	Per Employee
1979	474,501	1,163,725	2,453	942,815	1,987
1980	458,332	1,108,185	2,418	892,572	1,947
1981	436,397	1,045,944	2,397	837,553	1,919
1982	378,904	898,991	2,373	708,221	1,869
1983	322,030	778,431	2,417	610,039	1,894
1984	323,030	794,957	2,461	621,857	1,925
1985	301,879	738,701	2,447	576,626	1,910
1986	275,817	671,331	2,434	526,309	1,908
1987	248,526	620,275	2,496	481,627	1,938
1988	235,880	594,752	2,521	460,217	1,951

Source: Analysis of Class I Railroads.



PLANT AND EQUIPMENT

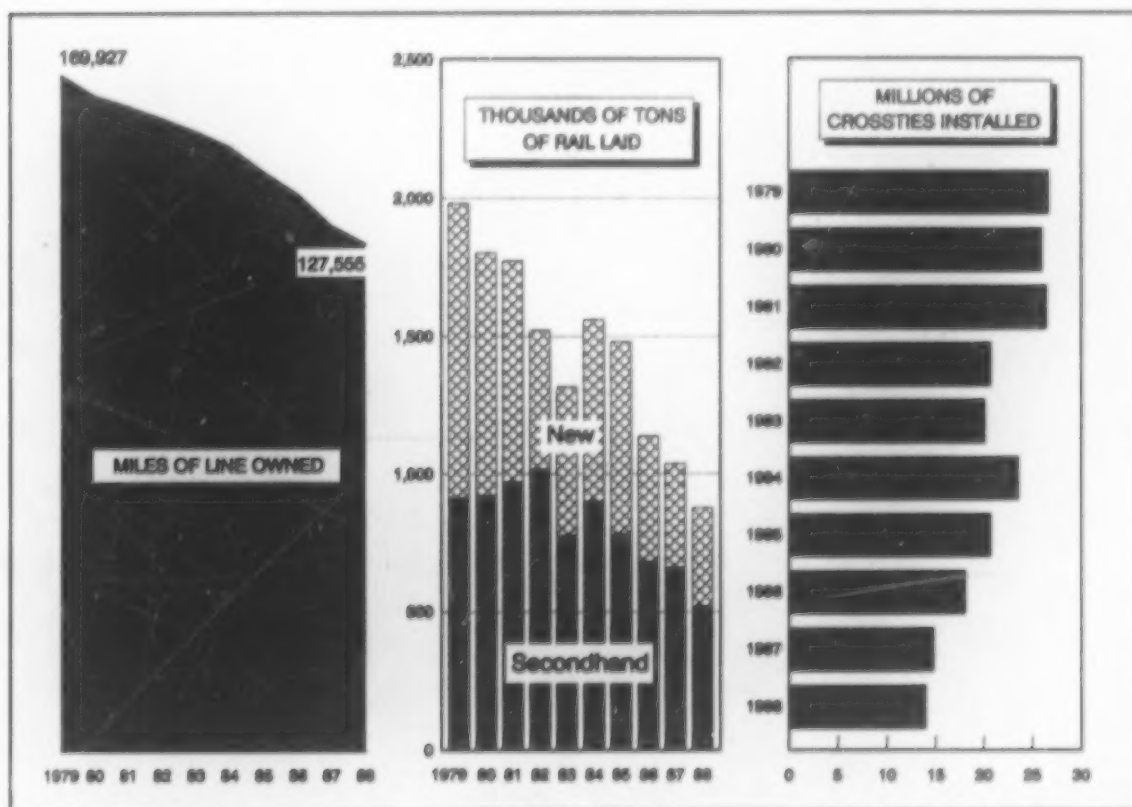
NOTES

Neither the miles owned, nor miles operated in this section matches the miles shown on page seven because that count reflects a different period of time.

RAILROAD MILEAGE OWNED & RAIL AND CROSSTIES INSTALLED

Year	Miles of Line Owned	Tons of Rail Laid		Crossties Installed (thousands)
		New	Secondhand	
1979	169,927	1,064,829	915,215	26,667
1980	164,822	881,783	919,662	25,984
1981	162,160	800,340	972,199	26,529
1982	159,123	502,718	1,018,212	20,726
1983	155,879	538,597	778,240	20,086
1984	151,998	659,285	900,000	23,581
1985	145,764	699,774	781,304	20,736
1986	140,061	456,066	681,640	18,104
1987	132,220	377,282	661,248	14,768
1988	127,555	357,371	520,477	14,046

Source: Analysis of Class I Railroads.



RAILROAD MILEAGE OPERATED BY STATE 1988

Alabama.....	3,448	Montana.....	2,490
Alaska.....	--	Nebraska.....	4,155
Arizona.....	1,558	Nevada.....	1,440
Arkansas.....	2,491	New Hampshire.....	--
California.....	6,186	New Jersey.....	968
Colorado.....	3,336	New Mexico.....	2,062
Connecticut.....	285	New York.....	2,485
Delaware.....	226	North Carolina.....	2,986
Dist. of Col.....	38	North Dakota.....	3,783
Florida.....	2,678	Ohio.....	5,585
Georgia.....	4,792	Oklahoma.....	3,444
Hawaii.....	--	Oregon.....	2,840
Idaho.....	2,152	Pennsylvania.....	3,965
Illinois.....	7,524	Rhode Island.....	--
Indiana.....	4,553	South Carolina.....	2,391
Iowa.....	3,368	South Dakota.....	1,179
Kansas.....	7,086	Tennessee.....	2,475
Kentucky.....	2,518	Texas.....	12,338
Louisiana.....	3,237	Utah.....	1,450
Maine.....	--	Vermont.....	--
Maryland.....	842	Virginia.....	3,345
Massachusetts.....	442	Washington.....	3,468
Michigan.....	2,521	West Virginia.....	3,013
Minnesota.....	4,865	Wisconsin.....	2,097
Mississippi.....	666	Wyoming.....	1,943
Missouri.....	5,142	TOTAL U.S.....	139,856

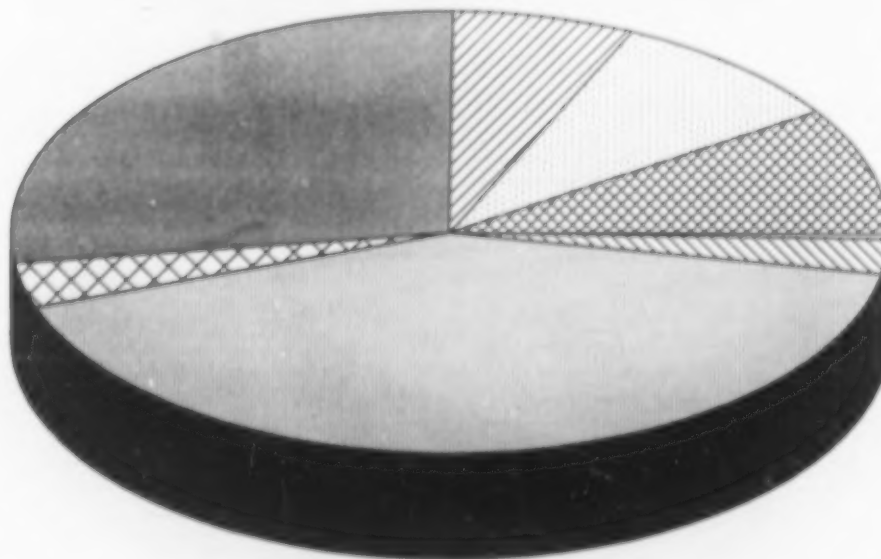
Source: Annual R-1 Reports to the Interstate Commerce Commission.

WEIGHT OF RAIL: 1988

<u>Pounds per Yard</u>	<u>Miles</u>	<u>Percent of Total Miles</u>	<u>Cumulative Percent</u>
150 & Over	502	.37 %	.37 %
140-149	3,460	2.54	2.91
130-139	56,598	41.61	44.52
120-129	4,487	3.30	47.82
110-119	37,151	27.32	75.14
100-109	9,070	6.67	81.81
90-99	12,088	8.89	90.70
0-89	12,651	9.30	100.00
TOTAL	136,007	100.00 %	

Source: R-1 Annual Reports to the ICC, Schedule 725.

DISTRIBUTION OF RAIL WEIGHT



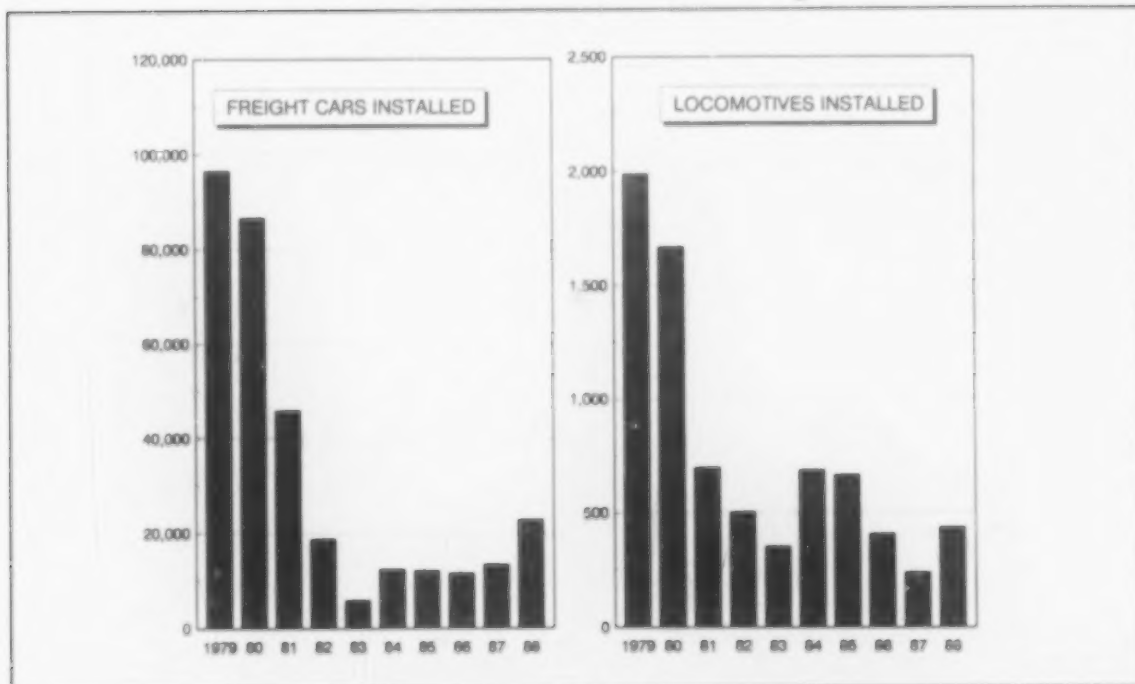
Pounds Per Yard							
0-89	90-99	100-109	110-119	120-129	130-139	140-149	150 & Over

LOCOMOTIVES AND FREIGHT CARS INSTALLED

Year	Locomotives Installed	Freight Cars Installed
1979	1,987	96,532
1980	1,669	86,628
1981	699	45,925
1982	504	18,736
1983	353	5,872
1984	688	12,396
1985	666	12,080
1986	408	11,603
1987	239	13,795
1988	436	22,787

Notes: Freight car installations include additions by railroads, car companies and shippers, excludes cabooses.

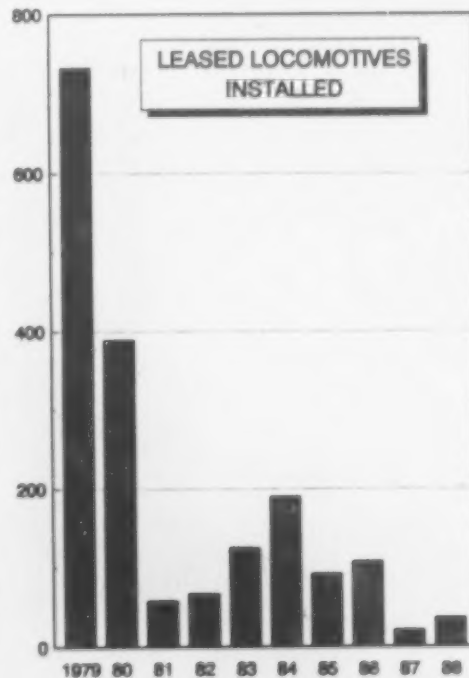
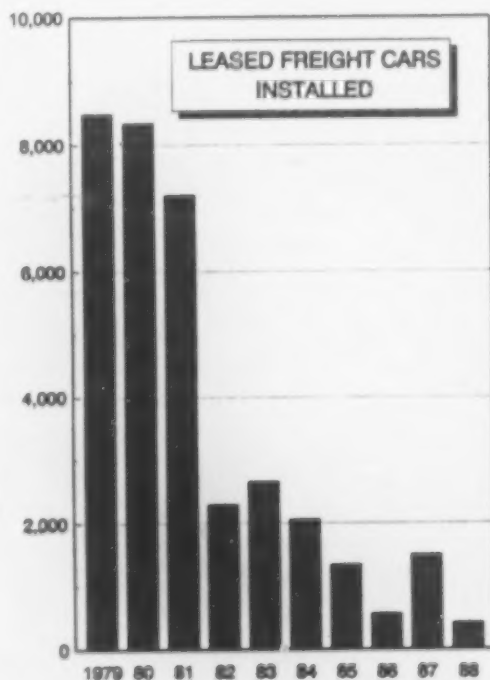
Sources: Locomotives installed - Analysis of Class I Railroads; Freight Cars Installed - AAR "New and Rebuilt Freight-Train Cars Installed".



INSTALLATION OF LEASED LOCOMOTIVES AND FREIGHT CARS

Number Installed		
Year	Locomotives	Freight Cars
1979	733	8,479
1980	389	8,336
1981	58	7,198
1982	67	2,289
1983	125	2,649
1984	190	2,050
1985	92	1,329
1986	107	557
1987	21	1,487
1988	36	414

Source: R-1 Annual Reports to the ICC,
Schedule 710.



COST OF RAILROAD ROLLING STOCK

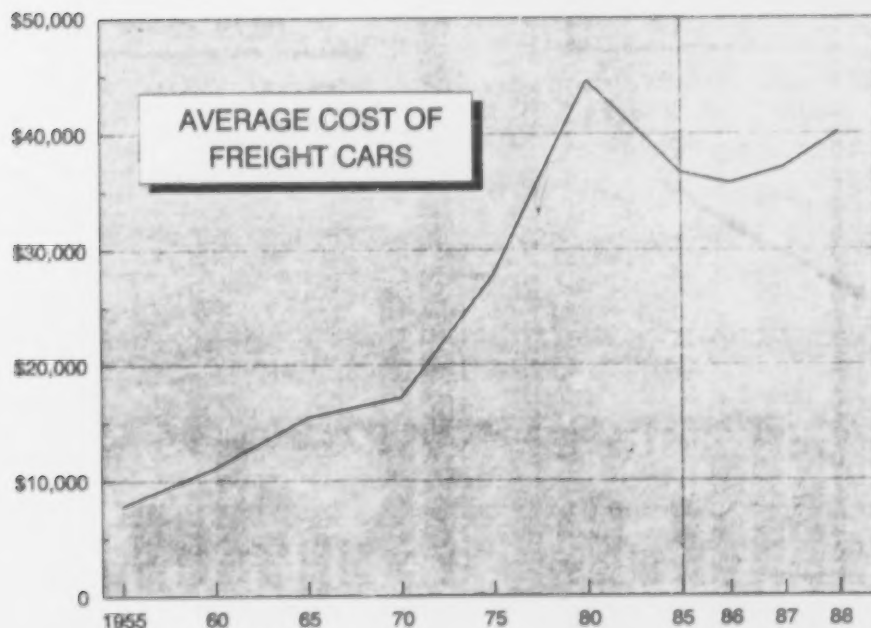
Average Cost of New Equipment

Year	Diesel Locomotives	Freight Train Cars
1955	\$167,758	\$7,839
1960	211,303	11,115
1965	219,984	15,448
1970	240,960	17,163
1975	372,000	27,777
1980	679,000	44,547
1985	1,062,000	36,645
1986	1,113,866	35,626
1987	1,079,733	37,096
1988	N/A	40,032

N/A - This data is no longer collected.

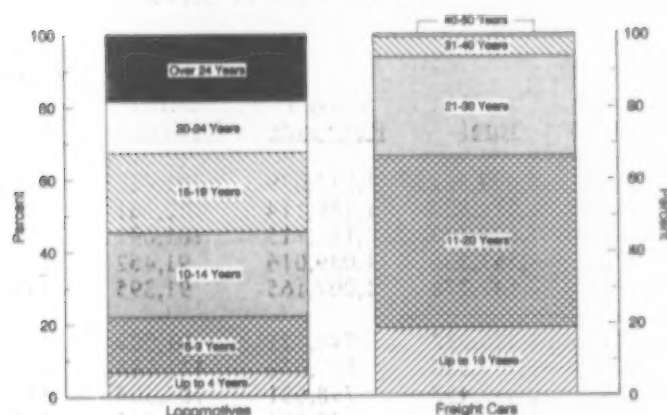
Note: Average Cost is based on weighted average of new units written into account in each respective year.

Source: Special data collected from Class I railroads and R-1 Annual Reports to the ICC, Schedule 710s.



AGE OF LOCOMOTIVES AND FREIGHT CARS

AGE DISTRIBUTION OF FLEET



Age Distribution of Diesel Locomotive Fleet - January 1, 1989

<u>Date Built</u>	<u>Units in Age Bracket</u>	<u>Percentage of Total</u>
Jan. 1, 1985-Dec. 31, 1988	1,331	6.8 %
Jan. 1, 1980-Dec. 31, 1984	2,991	15.2
Jan. 1, 1975-Dec. 31, 1979	4,601	23.5
Jan. 1, 1970-Dec. 31, 1974	4,313	22.0
Jan. 1, 1965-Dec. 31, 1969	2,775	14.2
Before Jan. 1, 1965	3,590	18.3
Total	19,601	100.0

Age Distribution of Railroad-Owned Freight Cars - January 1, 1989

<u>Car Age (years)</u>	<u>Cars In Age Bracket (thousands)</u>	<u>Percentage of Total</u>
0-10	167	18.8 %
11-20	424	47.6
21-30	244	27.4
31-40	49	5.5
40-50	6	0.7
Total	890	100.0

Note: The data necessary to determine the age distribution of the locomotive and freight car fleets are not available in the same data sources used for ownership figures shown elsewhere in this publication. Therefore, the figures shown above for the total fleet size do not precisely agree with those on previous pages.

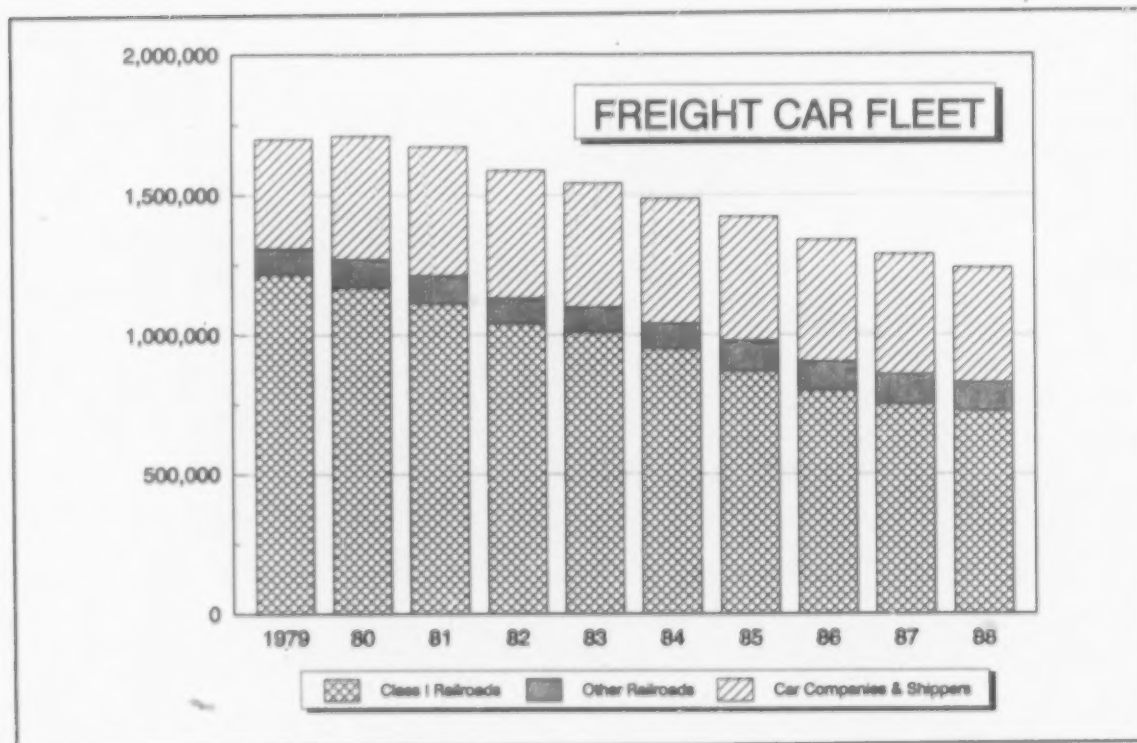
Sources: Locomotive data - R-1 Annual Reports to the ICC, Schedule 710. Freight car data - UMLER file.

THE FREIGHT CAR FLEET

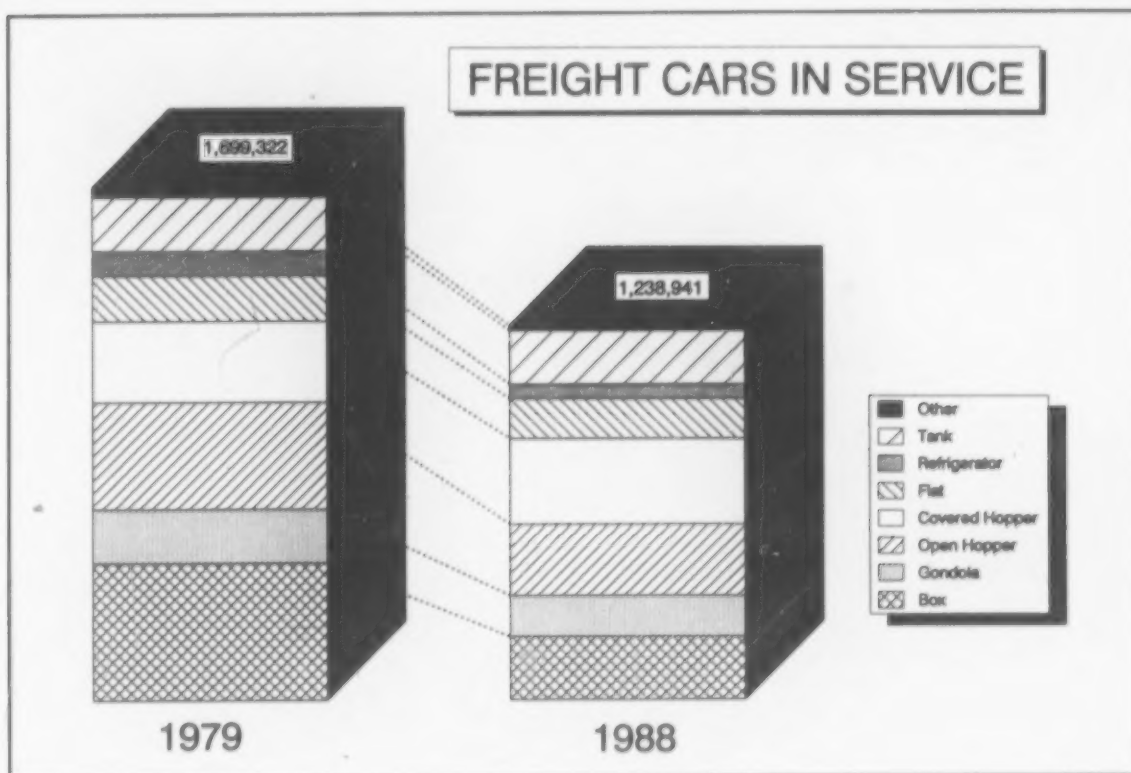
Freight Cars in Service

Year	Total	Class I Railroads	Other Railroads	Car Companies and Shippers
1979	1,699,322	1,217,079	91,427	390,816
1980	1,710,827	1,168,114	102,161	440,552
1981	1,672,465	1,111,115	101,091	460,259
1982	1,587,536	1,039,016	91,452	457,068
1983	1,542,278	1,007,165	91,395	443,718
1984	1,486,282	948,171	91,009	447,102
1985	1,421,686	867,070	111,086	443,530
1986	1,339,453	798,631	103,504	437,318
1987	1,288,129	748,523	107,223	432,383
1988	1,238,941	724,840	101,232	412,869

Source: AAR "Freight Car Ownership" and "Ownership, Aggregate Carrying Capacity"



FREIGHT CARS IN SERVICE BY CAR TYPE



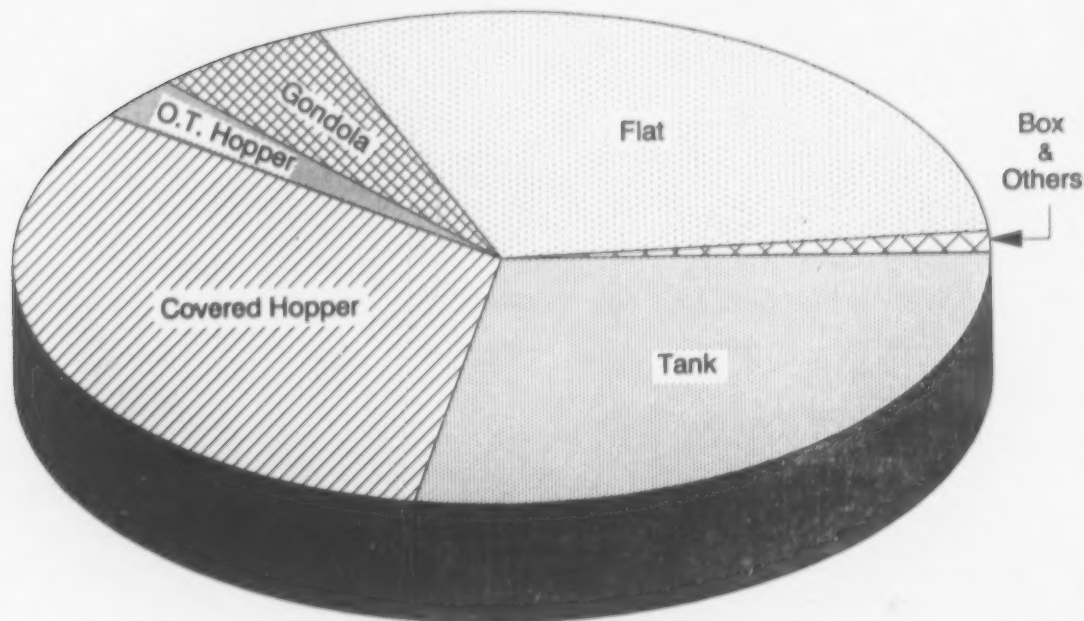
Revenue Freight Cars in Service -- All Railroads and Private Lines

Dec. 31	Plain Box	Equipped Box	Gondola	Hopper	Covered Hopper	Flat	Refrig.	Tank	Other
1979	273,014	179,217	178,979	356,804	268,919	151,377	81,266	178,069	31,977
1980	251,420	179,944	184,875	347,867	299,986	152,661	79,370	183,989	30,715
1981	232,647	172,428	183,692	339,435	311,378	148,724	73,452	190,662	30,047
1982	190,619	162,349	176,931	325,642	306,232	144,508	68,043	185,838	27,384
1983	178,465	157,291	171,554	315,805	303,172	142,291	63,705	183,730	26,265
1984	160,148	148,104	163,663	303,339	302,522	142,046	58,619	182,661	25,180
1985	141,050	136,405	160,958	285,517	299,172	138,839	55,083	181,194	23,468
1986	125,962	111,006	151,859	267,153	291,489	135,653	56,756	177,923	21,652
1987	116,617	105,943	145,217	248,819	285,822	134,219	52,747	180,084	19,261
1988	104,185	103,495	134,789	237,116	284,566	132,365	48,209	177,997	18,239

Source: AAR "Freight Car Ownership".

FREIGHT CAR DELIVERIES BY CAR TYPE

1988 DELIVERIES



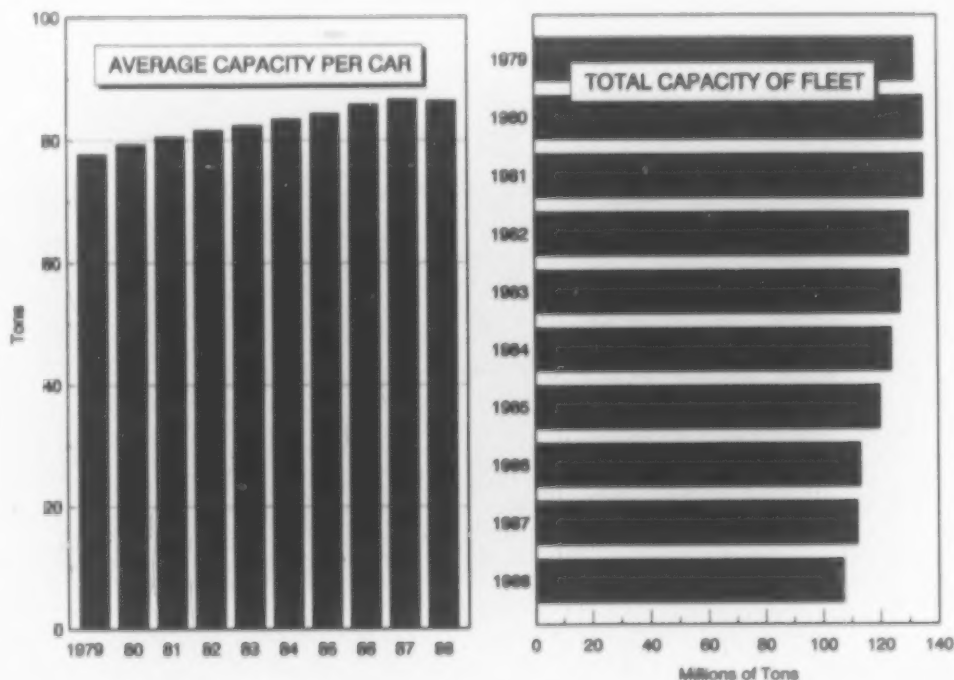
Car Types	1981	1982	1983	1984	1985	1986	1987	1988
Box Cars	1,571	--	150	--	--	74	51	311
Flat Cars	1,449	338	880	2,961	3,797	4,822	5,112	6,668
Gondolas	6,882	2,851	405	1,437	2,520	412	94	1,324
O.T. Hoppers	6,766	3,958	824	780	589	1,038	371	636
Covered Hoppers	17,414	5,477	745	3,131	2,352	2,085	2,928	7,284
Refrigerators	480	150	--	--	--	--	--	--
Tank Cars	8,577	4,046	3,740	3,717	2,687	3,077	5,086	6,289
Others	1,706	416	38	370	155	--	5	12
Total New Cars	44,825	17,236	5,773	13,396	12,080	11,508	13,645	22,524
Rebuilt Cars	1,100	1,500	100	--	--	95	150	263
GRAND TOTAL	45,925	18,736	5,873	13,396	12,080	11,603	13,795	22,787

Source: AAR "New and Rebuilt Freight-Train Cars Installed".

ONE DAY CAPACITY OF THE FREIGHT CAR FLEET

<u>Year</u>	<u>No. of Freight Cars (millions)</u>	<u>Average Capacity Per Car (tons)</u>	<u>Total Capacity (million tons)</u>
1979	1.70	77.7	132
1980	1.71	79.4	135
1981	1.67	80.6	135
1982	1.59	81.6	130
1983	1.54	82.4	127
1984	1.49	83.4	124
1985	1.42	84.3	120
1986	1.34	85.8	113
1987	1.29	86.6	112
1988	1.24	86.5	107

Source: Analysis of Class I Railroads.



COMMODITIES HAULED BY CAR TYPE

Commodity	Type of Car					
	Box	Covered Hopper	Flat	Gondola	Hopper	Tank
Coal				X	X	
Chemicals & Allied Prod.	X	X				X
Coke					X	
Crushed Stone & Gravel				X	X	
Food & Kindred Products	X					
Freight Frwding/Shipper	X		X			
Grain & Grain Mill Products	X	X				
Lumber & Wood Products	X		X			
Metallic Ores					X	
Metals & Products	X		X	X		
Motor Vehicles & Equip.	X		X			
Nonmetallic Minerals		X			X	
Pulp, Paper & Allied Prod.	X					
Petroleum Products						X
Primary Forest Products			X	X		
Stone, Clay & Glass Prod.	X	X				
TOFC Traffic			X			
Waste & Scrap Materials	X			X		

Source: Merrill Lynch, Railroad Equipment and AAR Transportation Division.

THE LOCOMOTIVE FLEET BY TYPE OF UNIT

Locomotives in Service			
<u>Year</u>	<u>Total</u>	<u>Diesel</u>	<u>Other</u>
1979	28,097	27,922	175
1980	28,396	28,243	153
1981	27,806	27,732	74
1982	27,071	27,000	71
1983	25,836	25,775	61
1984	24,504	24,443	61
1985	22,930	22,869	61
1986	21,159	21,098	61
1987	20,028	19,956	72
1988	19,755	19,683	72

Notes: Includes Amtrak locomotives for all years.

Sources: Analysis of Class I Railroads and supplemental information from Amtrak.

HORSEPOWER OF THE DIESEL LOCOMOTIVE FLEET

<u>Year</u>	<u>Units in Service</u>	<u>Average HP Per Unit</u>	<u>Aggregate Horsepower (millions)</u>
1979	27,922	2,258	63.0
1980	28,243	2,300	65.0
1981	27,732	2,326	64.5
1982	27,000	2,341	63.2
1983	25,775	2,246	57.9
1984	24,443	2,415	59.0
1985	22,869	2,469	56.5
1986	21,098	2,531	53.4
1987	19,956	2,549	50.9
1988	19,683	2,579	50.8

Note: Includes Amtrak locomotives for all years.

Sources: Analysis of Class I Railroads and supplemental information from Amtrak.

RAILROAD FUEL PRICES

Price Per Gallon

(Average of twelve months)

<u>Year</u>	<u>Cents</u>	<u>Index</u>
1979	57.60	100.0
1980	83.00	144.1
1981	100.22	174.0
1982	95.43	165.7
1983	83.12	144.3
1984	82.57	143.4
1985	78.34	136.0
1986	49.23	85.5
1987	53.81	93.4
1988	49.15	85.3

Source: Analysis of Class I Railroads.

RAILROAD CONSUMPTION OF DIESEL FUEL

(Millions of Gallons)

<u>Year</u>	<u>Total</u>	<u>Freight Service</u>	<u>Passenger Service</u>	<u>Switching</u>	<u>Work Train</u>
1979	4,081	3,648	39	377	17
1980	3,956	3,581	35	323	17
1981	3,774	3,429	34	293	18
1982	3,178	2,872	34	258	15
1983	3,137	2,872	11	240	15
1984	3,388	3,104	11	252	21
1985	3,144	2,878	11	232	23
1986	3,039	2,787	11	221	20
1987	3,102	2,864	11	215	12
1988	3,182	2,926	11	233	12

Source: Analysis of Class I Railroads.

OPERATING RATIOS

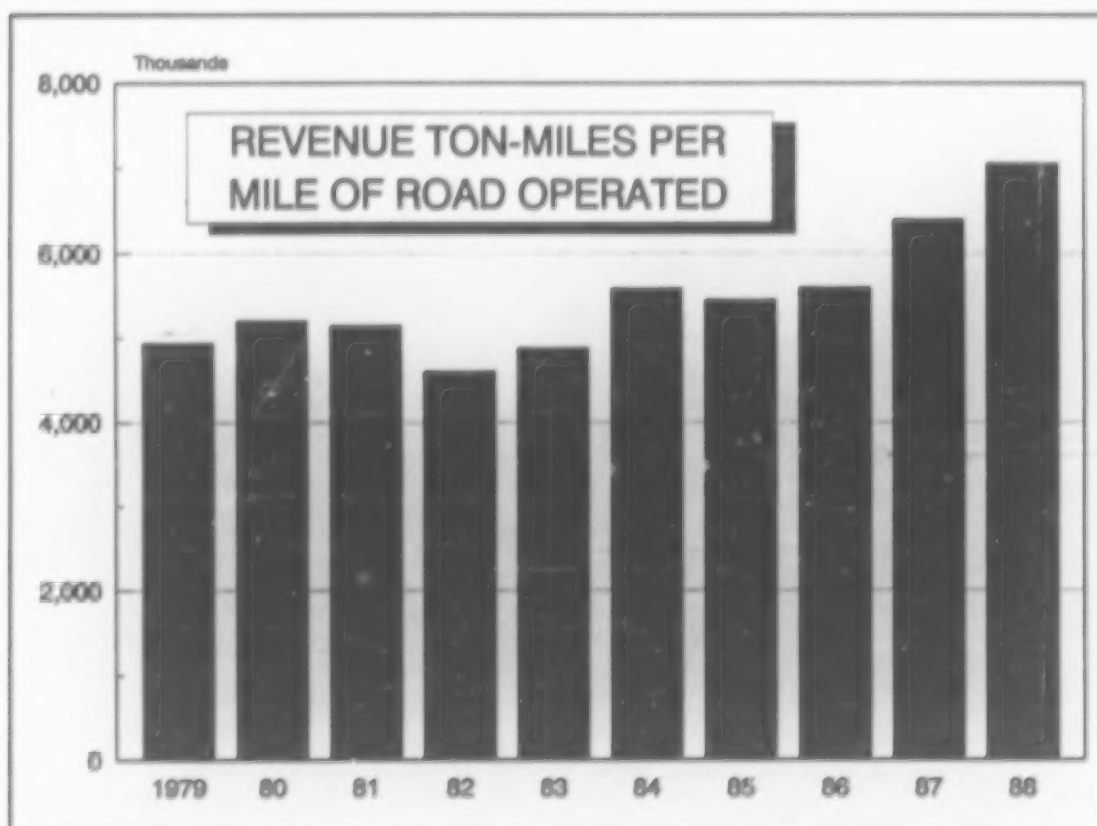
NOTES

TON-MILES PER MILE OF ROAD

Year	Gross Ton-Miles (millions)	Net Ton-Miles (millions)	Revenue Ton-Miles (millions)	Avg. Miles Operated in Freight Service	Thousands of Ton-Miles per Mile of Road		
					Gross Ton-Miles	Net Ton-Miles	Revenue Ton-Miles
1979	1,906,804	917,660	904,956	183,497	10,391	5,001	4,933
1980	1,910,739	951,914	918,958	176,769	10,809	5,388	5,199
1981	1,865,396	935,167	910,169	177,013	10,538	5,315	5,143
1982	1,634,313	808,910	797,750	173,686	9,411	4,838	4,504
1983	1,698,163	841,349	838,375	169,863	9,907	4,963	4,876
1984	1,861,938	939,401	931,543	165,231	11,369	5,686	5,578
1985	1,765,368	893,809	876,984	161,087	10,963	5,550	5,445
1986	1,747,931	886,043	867,733	158,315	11,354	5,708	5,587
1987	1,858,439	953,808	943,747	147,566	12,580	6,464	6,305
1988	1,931,617	1,009,479	996,183	141,364	13,674	7,146	7,052

Note: Gross ton-miles include weight of load and freight cars, but exclude weight of locomotives; net ton-miles represent the sum of revenue and non-revenue ton-miles.

Source: Analysis of Class I Railroads.



FREIGHT CAR MILES

<u>Year</u>	<u>Total Freight Car-Miles (millions)</u>	<u>Loaded Car-Miles (millions)</u>	<u>Empty Car-Miles (millions)</u>	<u>Loaded Car-Miles as a Percent of Total</u>
1979	29,437	16,831	12,606	57.1 %
1980	29,277	16,017	13,260	54.7
1981	27,968	15,243	12,725	54.5
1982	23,951	13,276	10,675	55.4
1983	24,358	13,769	10,589	56.4
1984	26,409	15,043	11,366	57.0
1985	24,920	14,251	10,669	57.2
1986	24,414	14,022	10,392	57.4
1987	25,627	14,908	10,719	58.2
1988	26,339	15,406	10,933	58.5

Note: Non-revenue car-miles have been divided equally between loaded and empty car-miles.

Source: Analysis of Class I Railroads.

NET TON-MILES PER LOADED CAR-MILE

<u>Year</u>	<u>Net Ton-Miles (millions)</u>	<u>Loaded Car-Miles (millions)</u>	<u>Net Ton-Miles Per Loaded Car-mile</u>
1979	917,660	16,831	54.5
1980	951,914	16,017	59.4
1981	923,157	15,243	60.6
1982	808,910	13,276	60.9
1983	841,349	13,769	61.1
1984	939,401	15,043	62.4
1985	893,809	14,251	62.7
1986	886,043	14,022	63.2
1987	953,808	14,908	64.0
1988	1,009,479	15,406	65.5

Note: Loaded car-miles include 50 percent of non-revenue car-miles.

Source: Analysis of Class I Railroads.

AVERAGE NUMBER OF TONS PER CARLOAD ORIGINATED

<u>Year</u>	<u>Tons Originated (thousands)</u>	<u>Carloads Originated (thousands)</u>	<u>Tons per Carload Originated</u>
1979	1,481,154	23,086	64.2
1980	1,492,414	22,223	67.2
1981	1,453,022	21,343	68.1
1982	1,268,645	18,585	68.3
1983	1,292,607	19,013	68.0
1984	1,429,388	20,946	68.2
1985	1,319,794	19,501	67.7
1986	1,305,839	19,589	66.7
1987	1,372,262	20,602	66.6
1988	1,429,510	21,600	66.2

Source: Analysis of Class I Railroads.

REVENUE TON-MILES PER CAR LOADED

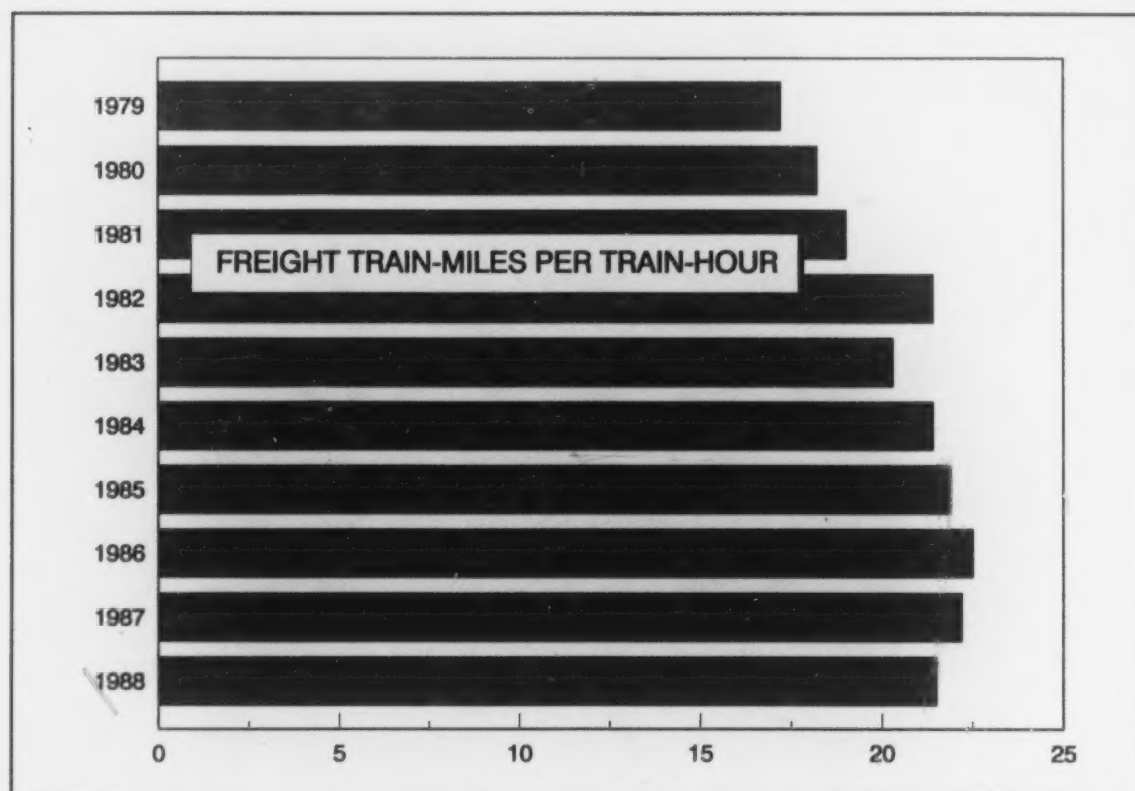
<u>Year</u>	<u>Revenue Ton-Miles (millions)</u>	<u>Freight Carloadings (thousands)</u>	<u>Revenue Ton-Miles per Car Loaded</u>
1979	904,956	23,086	39,199
1980	918,958	22,223	41,352
1981	910,169	21,343	42,645
1982	797,759	18,585	42,925
1983	828,275	19,013	43,564
1984	921,542	20,946	43,996
1985	876,984	19,501	44,971
1986	867,722	19,589	44,296
1987	943,747	20,602	45,809
1988	996,182	21,600	46,120

Source: Analysis of Class I Railroads.

FREIGHT TRAIN-MILES PER TRAIN-HOUR

Year	Freight Train- Miles (thousands)	Freight Train- Hours (thousands)	Freight Train- Miles per Train-Hour
1979	437,848	25,514	17.2
1980	428,498	23,567	18.2
1981	407,520	21,415	19.0
1982	344,936	16,104	21.4
1983	345,916	17,027	20.3
1984	369,403	17,248	21.4
1985	347,292	15,864	21.9
1986	347,234	15,438	22.5
1987	360,692	16,248	22.2
1988	379,271	17,607	21.5

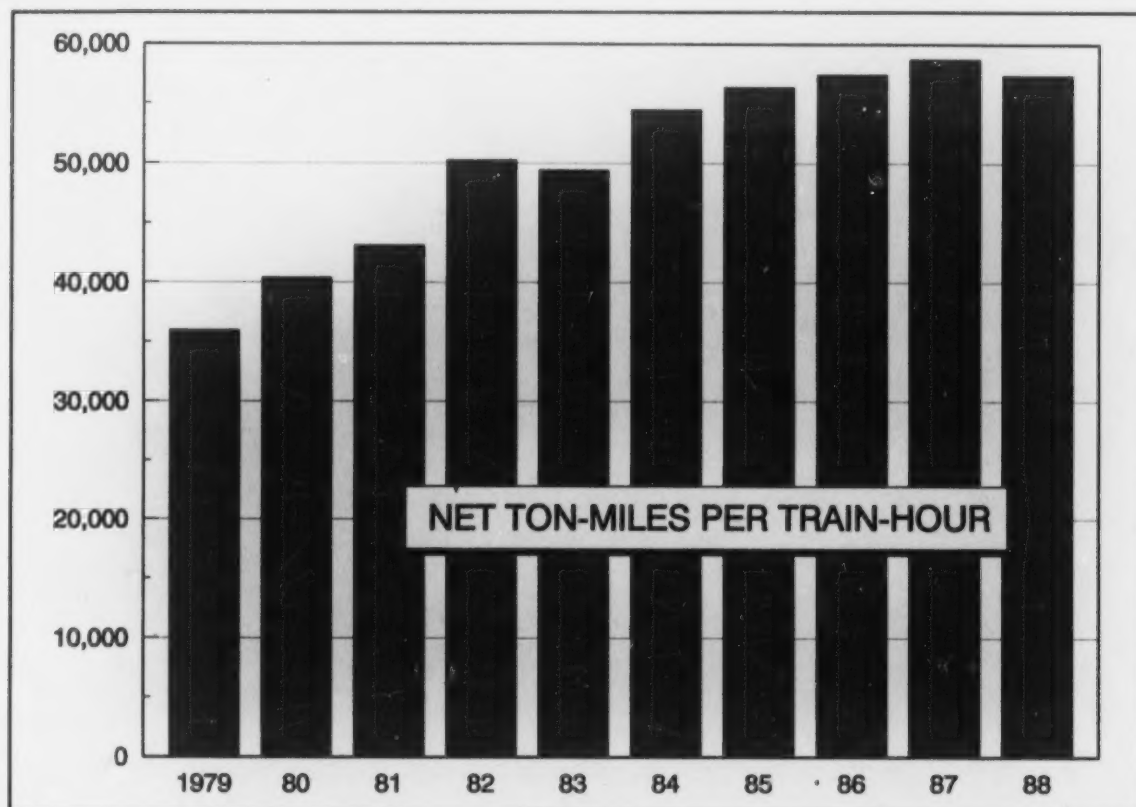
Source: Analysis of Class I Railroads.



NET TON-MILES PER TRAIN-HOUR

<u>Year</u>	<u>Net Ton-Miles (millions)</u>	<u>Freight Train-Hours (thousands)</u>	<u>Net Ton-Miles Per Train-Hour</u>
1979	917,660	25,514	35,967
1980	951,914	23,567	40,392
1981	923,167	21,415	43,109
1982	808,910	16,104	50,232
1983	841,349	17,027	49,413
1984	939,401	17,248	54,465
1985	893,809	15,864	56,343
1986	886,043	15,438	57,393
1987	953,808	16,248	58,703
1988	1,009,479	17,607	57,335

Source: Analysis of Class I Railroads.

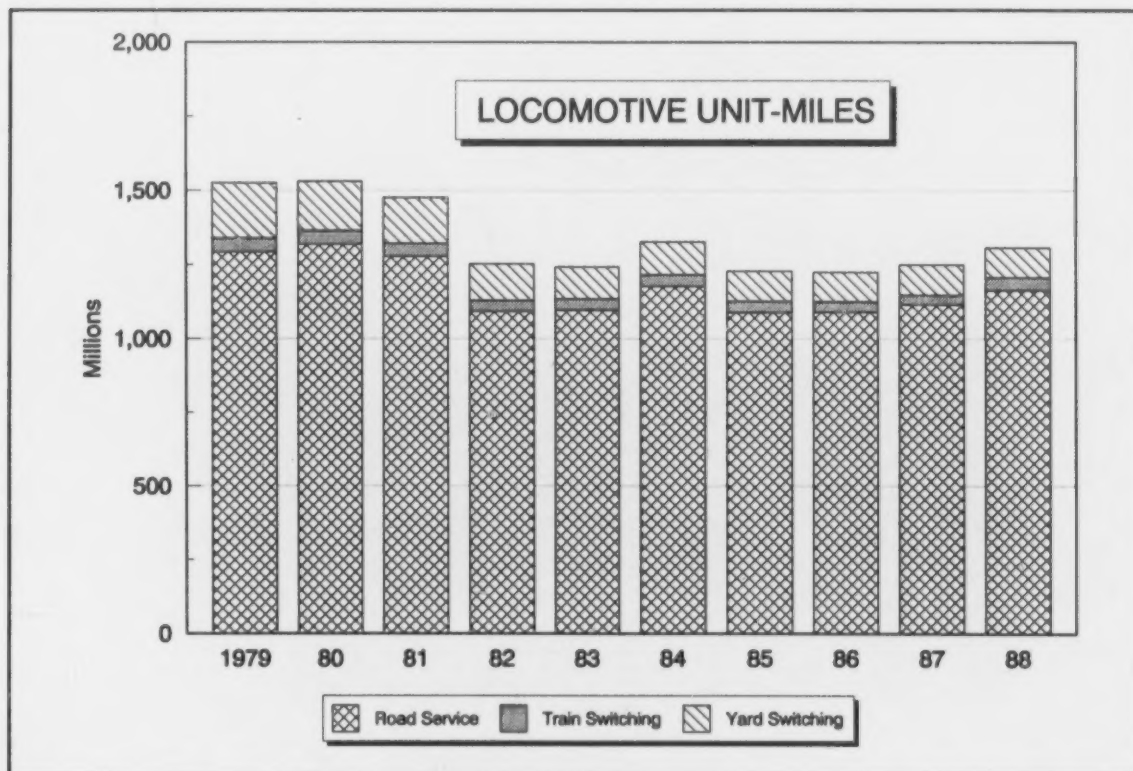


LOCOMOTIVE UNIT-MILES IN FREIGHT SERVICE

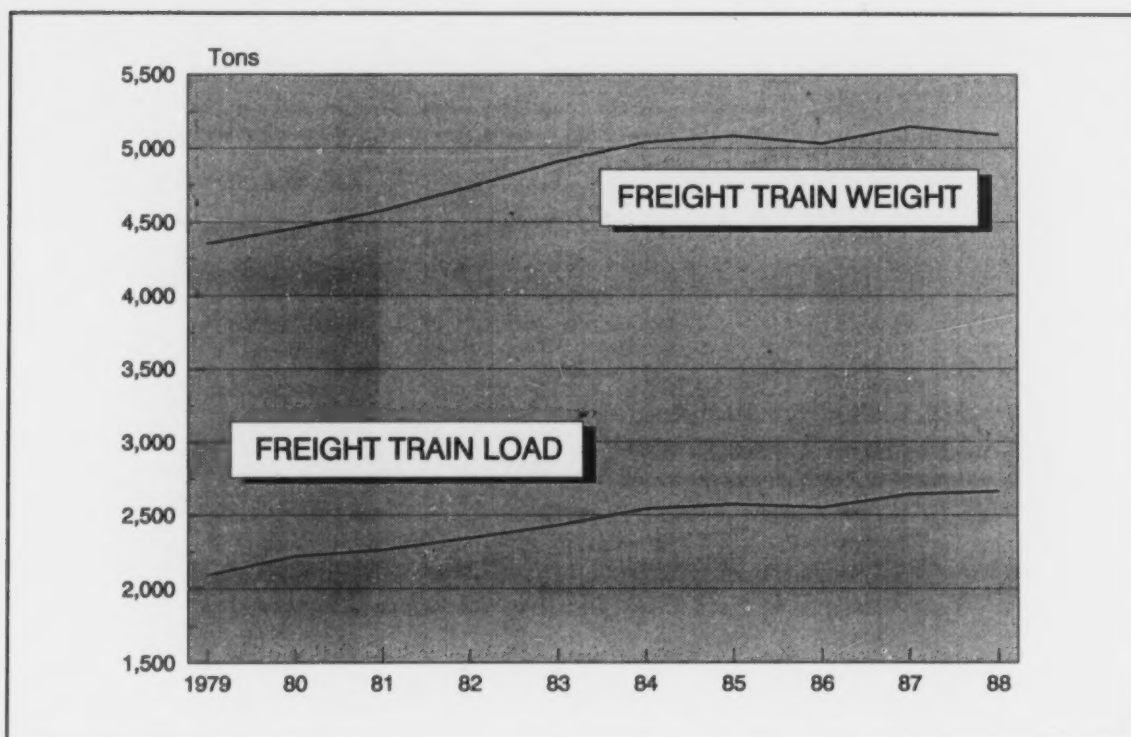
(Unit-miles in thousands)

Year	Total	Road Freight Service	Freight- Train Switching	Freight Yard Switching
1979	1,526,093	1,293,799	45,820	186,474
1980	1,531,050	1,319,010	45,808	166,232
1981	1,474,904	1,278,128	43,718	153,059
1982	1,251,962	1,092,306	36,853	122,803
1983	1,242,025	1,096,471	37,930	107,624
1984	1,326,470	1,176,831	39,147	110,492
1985	1,228,136	1,088,622	37,591	101,923
1986	1,223,633	1,089,896	34,858	98,878
1987	1,249,220	1,115,547	31,965	101,707
1988	1,306,942	1,163,727	43,625	99,590

Source: Analysis of Class I Railroads.



AVERAGE FREIGHT TRAIN LOAD



Year	Gross Ton-Miles Excluding Locomotives (millions)	Net Ton-Miles (millions)	Freight Train-Miles (thousands)	Avg. Freight- Train Weight Including Weight of Cars (tons)	Avg. Freight- Train Load (tons)
1979	1,906,804	917,660	437,848	4,355	2,096
1980	1,910,729	951,914	428,498	4,459	2,222
1981	1,865,396	923,167	407,520	4,577	2,265
1982	1,634,213	808,910	344,936	4,738	2,345
1983	1,698,163	841,349	345,916	4,909	2,432
1984	1,861,926	939,401	369,403	5,040	2,543
1985	1,765,368	893,809	347,292	5,083	2,574
1986	1,747,921	886,043	347,234	5,034	2,552
1987	1,856,429	953,808	360,692	5,147	2,644
1988	1,931,617	1,009,479	379,271	5,093	2,662

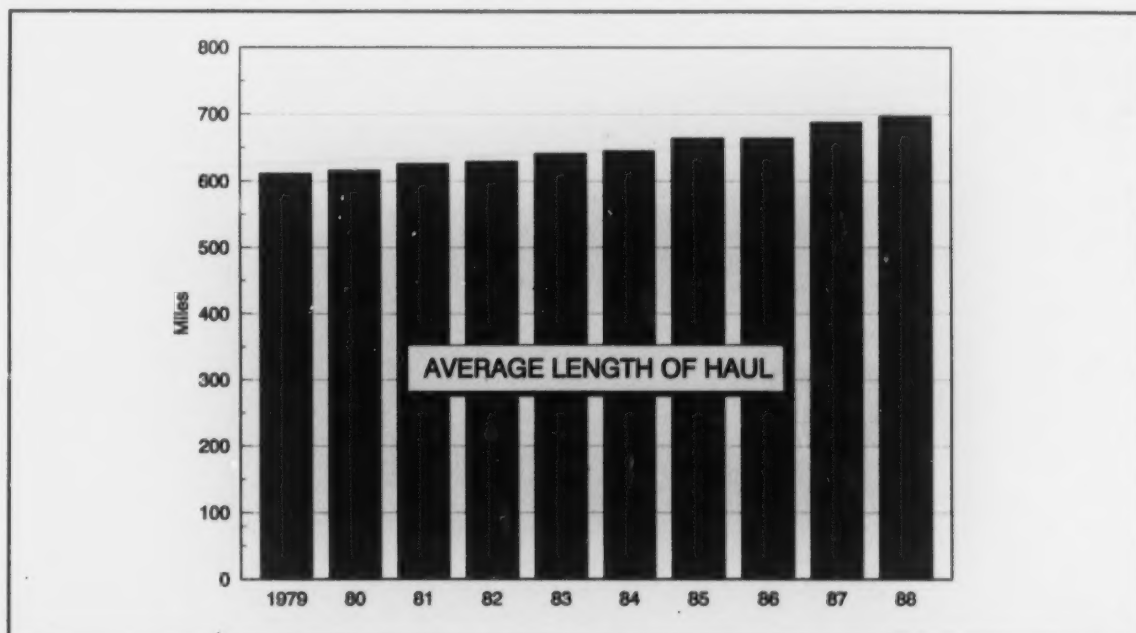
Source: Analysis of Class I Railroads.

AVERAGE LENGTH OF RAILROAD HAUL

Year	Revenue Ton-Miles (billions)	Tons Originated (millions)	Average Length of Haul (miles)
1979	905	1,481	611
1980	919	1,492	616
1981	910	1,453	626
1982	798	1,269	629
1983	828	1,293	641
1984	922	1,429	645
1985	877	1,320	664
1986	868	1,306	664
1987	944	1,372	688
1988	996	1,430	697

Note: Average length of haul, as computed above, treats all Class I railroads as a system.

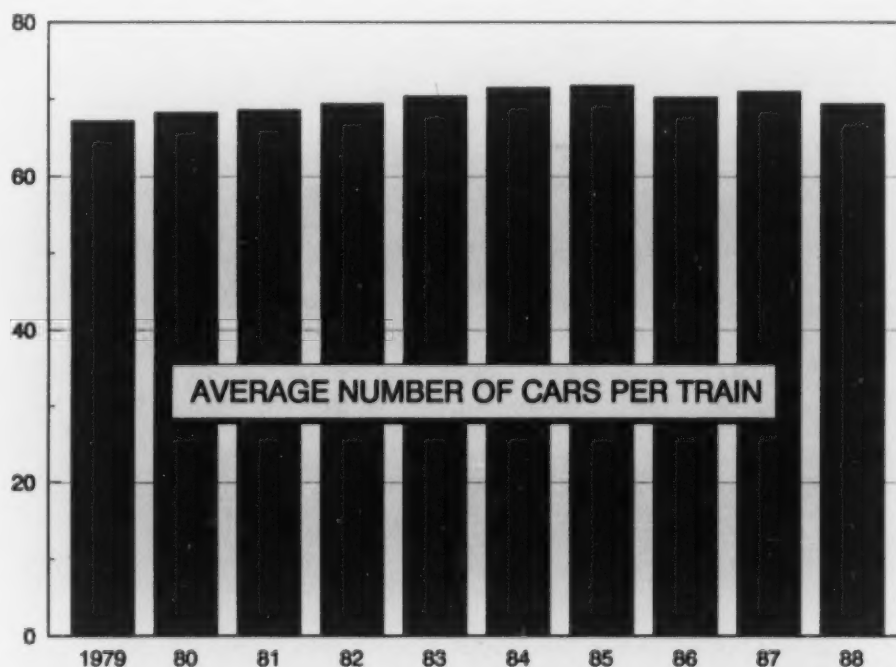
Source: Analysis of Class I Railroads.



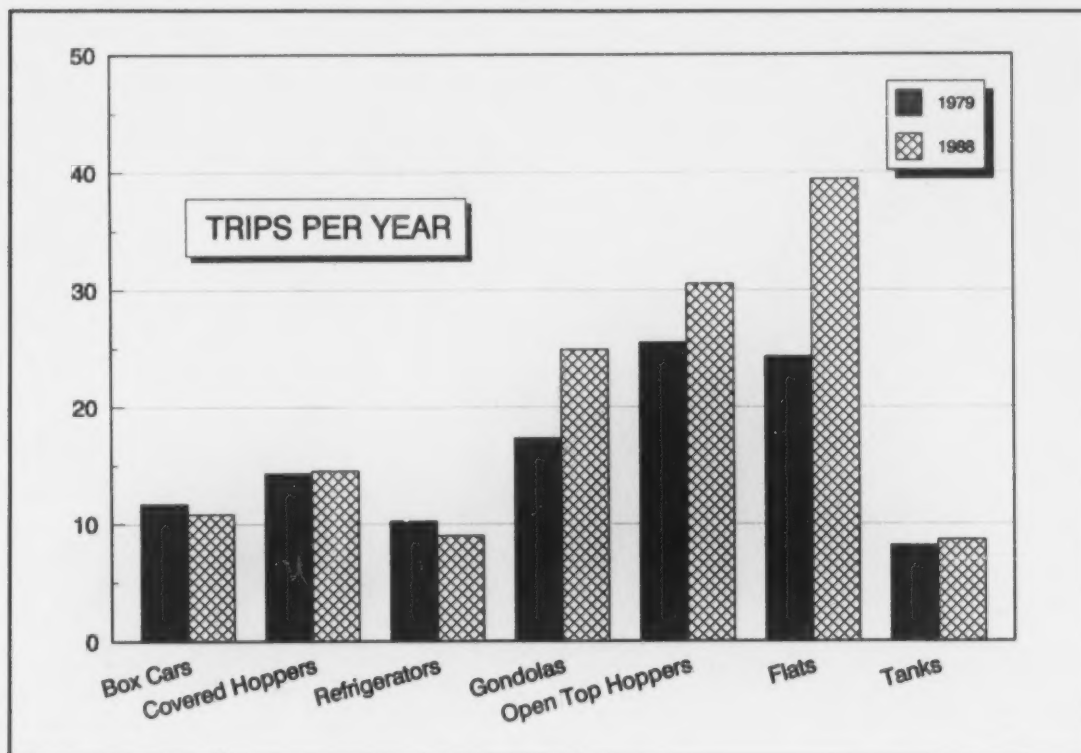
CARS PER AVERAGE FREIGHT TRAIN

<u>Year</u>	<u>Total Freight Car-Miles (millions)</u>	<u>Freight Train-Miles (thousands)</u>	<u>Average Number of Cars Per Train</u>
1979	29,437	437,848	67.2
1980	29,277	428,498	68.3
1981	27,968	407,520	68.6
1982	23,951	344,936	69.4
1983	24,358	345,916	70.4
1984	26,409	369,403	71.5
1985	24,920	347,292	71.8
1986	24,414	347,234	70.3
1987	25,627	360,692	71.0
1988	26,339	379,271	69.4

Source: Analysis of Class I Railroads.



AVERAGE NUMBER OF FREIGHT CAR TRIPS PER YEAR



Year	Box Cars	Covered Hoppers	Refrigerators	Gondolas	Open Top Hoppers	Flats	Tanks	All Cars
1979	11.7	14.3	10.2	17.3	25.5	24.3	8.1	16.5
1980	10.7	13.7	10.2	17.8	24.8	20.8	7.7	15.8
1981	9.7	11.8	8.9	17.8	25.3	21.0	7.3	15.1
1982	8.2	10.7	7.7	14.8	21.7	22.0	6.5	13.6
1983	8.8	11.9	7.4	16.2	21.7	26.6	7.0	14.7
1984	9.1	12.0	7.0	18.0	24.8	29.2	7.3	16.0
1985	9.4	11.1	7.0	19.1	24.8	30.9	7.4	16.2
1986	10.2	12.0	7.6	20.4	27.7	33.8	7.9	17.5
1987	11.3	14.4	8.9	22.8	30.2	36.1	8.7	19.4
1988	10.8	14.5	9.0	24.9	30.5	39.4	8.6	21.5

Source: AAR Transportation Division.

FREIGHT LOSS AND DAMAGE CLAIMS

<u>Year</u>	<u>Claims (million \$)</u>	<u>Percent of Freight Revenue</u>
1979	\$ 328	1.22 %
1980	325	1.08
1981	257	0.75
1982	233	0.77
1983	162	0.53
1984	161	0.46
1985	152	0.46
1986	143	0.47
1987	129	0.44
1988	127	0.39

Source: AAR Freight Claims Division.

NUMBER OF OVERHEATED JOURNALS PER FREIGHT CAR MILE

<u>Year</u>	<u>Overheated Journals</u>	<u>Freight Car-Miles (millions)</u>	<u>Overheated Journals per Million Car-Miles</u>
1979	11,895	29,437	0.40
1980	8,519	29,277	0.29
1981	8,187	27,968	0.29
1982	5,375	23,951	0.22
1983	4,951	24,358	0.20
1984	4,874	26,409	0.18
1985	4,460	24,920	0.18
1986	3,406	24,414	0.14
1987	3,579	25,627	0.14
1988	N/A	26,339	N/A

N/A - Not available at time of publication.

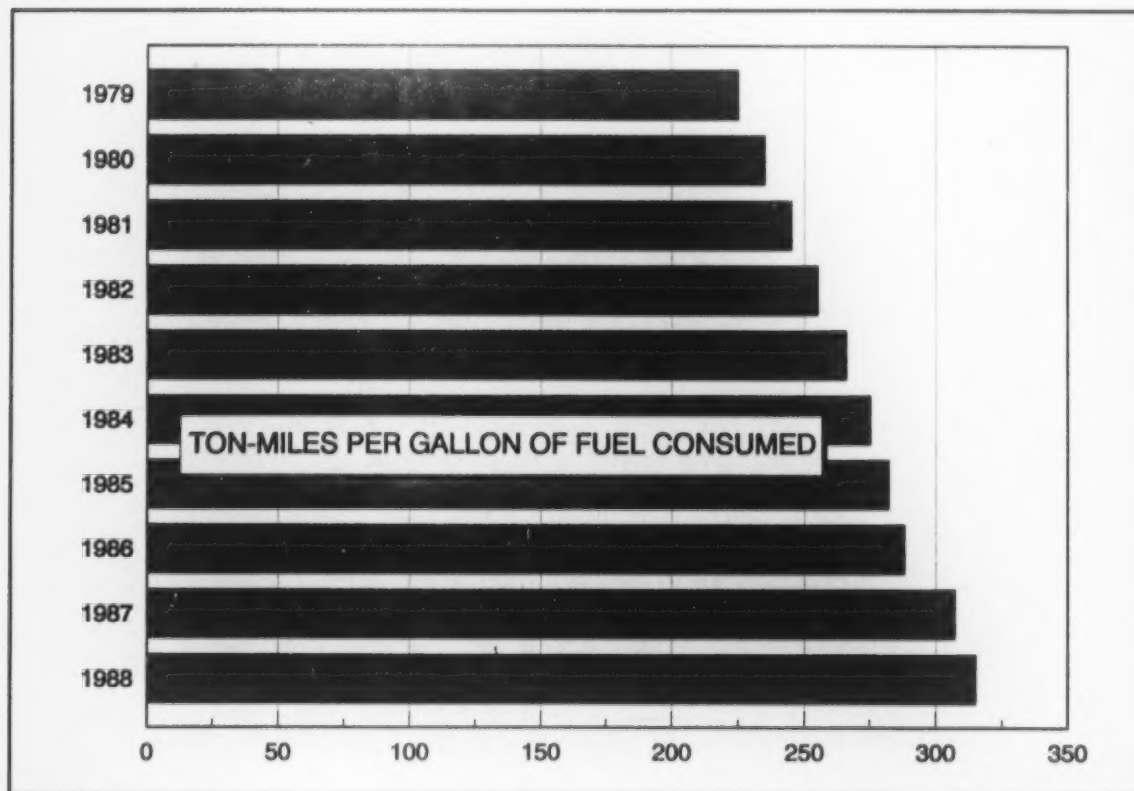
Note: An overheated journal is generally referred to as a hot box.

Source: AAR Mechanical Division.

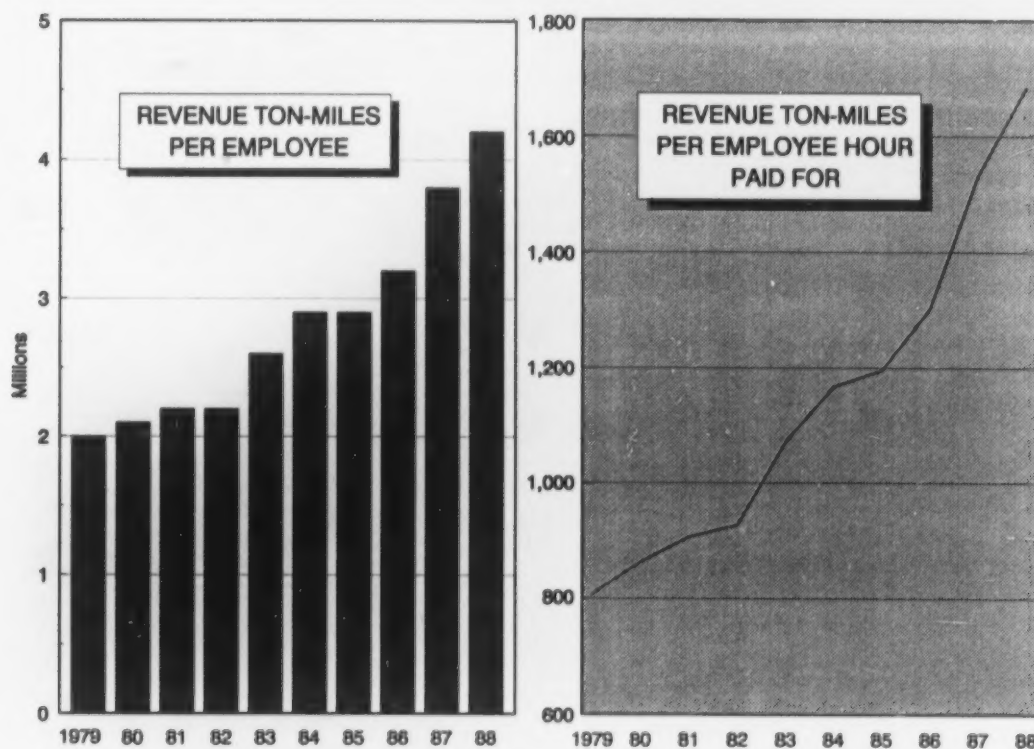
RAILROAD FUEL EFFICIENCY

<u>Year</u>	<u>Revenue Ton-Miles (millions)</u>	<u>Fuel Consumed in Freight Service and Switching (million gallons)</u>	<u>Ton-Miles per Gallon of Fuel Consumed</u>
1979	904,956	4,025	225
1980	918,958	3,904	235
1981	910,169	3,722	245
1982	797,759	3,130	255
1983	828,275	3,112	266
1984	921,542	3,355	275
1985	876,984	3,110	282
1986	867,722	3,008	288
1987	943,747	3,079	307
1988	996,182	3,159	315

Sources: Analysis of Class I Railroads.



RAILROAD TON-MILES PER EMPLOYEE AND EMPLOYEE HOUR



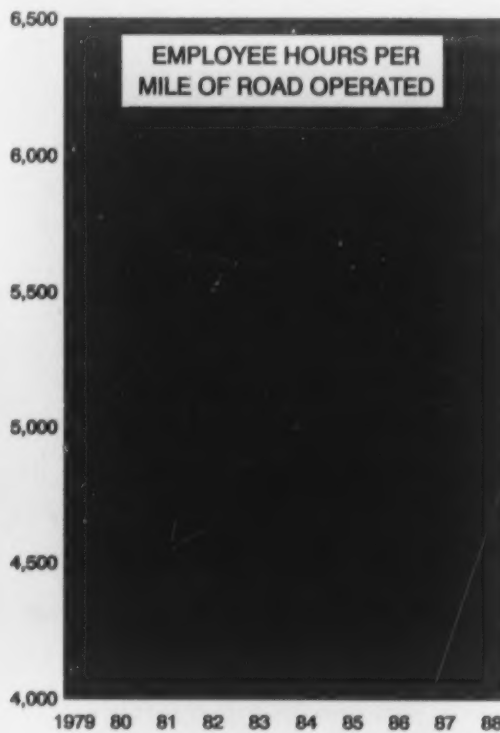
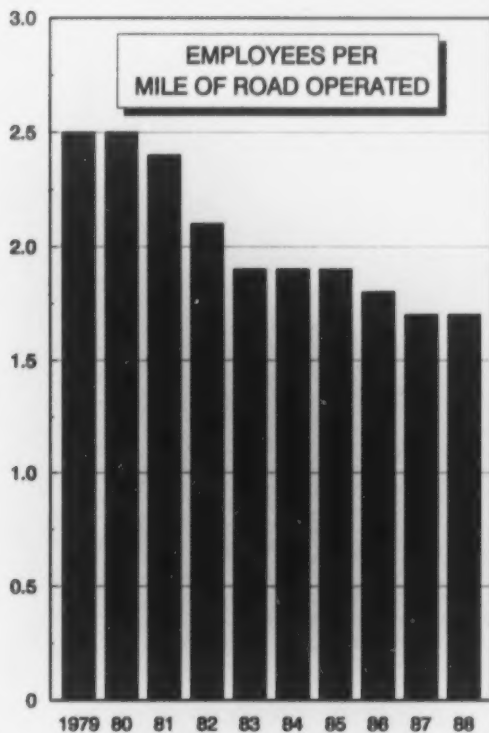
Year	Freight Revenue Ton-Miles Per	
	Employee (millions)	Employee Hours Paid For
1979	2.0	808
1980	2.1	863
1981	2.2	906
1982	2.2	927
1983	2.6	1,072
1984	2.9	1,167
1985	2.9	1,196
1986	3.2	1,302
1987	3.8	1,531
1988	4.2	1,683

Notes: Freight Service employment and hours estimated on the basis of ratio of freight operating expenses to total operating expenses.

EMPLOYEES AND EMPLOYEE HOURS PER MILE OF ROAD

Year	Employees Per Mile of Road Operated (Freight)	Employee Hours Per Mile of Road Operated (Freight)
1979	2.5	6,107
1980	2.5	6,025
1981	2.4	5,678
1982	2.1	4,954
1983	1.9	4,551
1984	1.9	4,778
1985	1.9	4,555
1986	1.8	4,292
1987	1.7	4,178
1988	1.7	4,189

Notes: Freight Service employment and hours estimated on the basis of ratio of freight operating expenses to total operating expenses.



PROFILES



ASSOCIATION OF AMERICAN RAILROADS

50 F Street, N.W.
Washington, D.C. 20001-1564

TECHNICAL CENTER

3140 Federal Street
Chicago, Illinois 60616

TRANSPORTATION TEST CENTER

Test Center Road
Pueblo, Colorado 81001

Inception

The AAR was established in 1934 as an umbrella organization consolidating a number of smaller, more specialized groups. Among its forerunners were the Master Car Builders, the General Time Convention, the American Railway Association, the Association of Railway Executives, the Railway Accounting Officers Association, the Railway Treasury Officers Organization, the Bureau of Railway Economics, and the Bureau for Safe Transportation of Explosives and Other Dangerous Articles.

Services Provided

The AAR serves its members in matters that require joint handling to better enable the railroads to contribute toward the goals of the national transportation policy set forth by Congress. These matters include operations, maintenance, safety, research, economics, finance, accounting, data systems, and public information. In addition, the AAR represents the railroads before the courts, administrative tribunals, Congressional committees, and other governmental bodies. One of the Association's most important functions is to work with committees made up of representatives of member railroads on matters affecting the industry as a whole.

Membership (1988)

39 Full members
59 Associate members
10 Special members

Composition of Board of Directors

The Board of Directors is composed of the Chief Executive Officers (Presidents, Chairmen, Trustees, and Receivers) or other such officers or directors approved by the Board, and the President of the AAR who is Ex Officio Chairman.

Departmental Organization

Administrative and Executive	Legislative
Economics and Finance	Operations and Maintenance
Information and Public Affairs	Research and Test
Law	

Subsidiary Organization

RAILINC

AMERICAN SHORT LINE RAILROAD ASSOCIATION

2000 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Inception

In 1913, representatives of 22 short line railroads organized the Short Line Railroad Association of the Southeast. Accumulated experience led to the general belief that this Association should become national in scope, and subsequently the name was changed to the American Short Line Railroad Association. The general office of the Association was established in Washington, D.C. in 1917.

Services Rendered

Services provided by the ASLRA for its nationwide membership include keeping them informed of all proposed rules and regulations and matters of current interest; statutory agent functions; legal consultation pertinent to proceedings before the various agencies; representation before various government bodies and Committees of Congress on pending and proposed legislation; retention of a close relationship with the Association of American Railroads through membership on the various AAR committees; and nationwide representation on all rate associations to insure protection of member lines' interests on traffic-related subjects.

Membership

347 Railroads
246 Associate members

Source: American Short Line Railroad Association.

REGIONAL RAILROADS OF AMERICA

324 4th Street, N.E.
Washington, D.C. 20002

Inception

Regional Railroads of America was formed in January 1987 as a lobbying organization concentrating primarily on issues facing regional railroads as small businesses. The sole purpose of the organization is to encourage change in federal laws as applied to regional rail carriers. Specifically the RRA is concentrating on the Railroad Retirement system; rules concerning labor protection; FELA legislation; and rulings on secondary picketing. In addition the RRA is also studying the infrastructure of the industry to determine the rehabilitation requirements necessary to ensure a successful business.

Services

The members of the RRA testify before Congress, write and distribute position papers, give speeches and lobby individual members of Congress. The RRA is organized on a committee-basis, with each committee being chaired by a member. Most business is conducted by those committees.

Membership

41 Class II and Class III railroads
53 Associate members from rail-related industries

Composition of Board of Directors

The RRA has a nine-member board composed of CEO's or other executive officers of member roads.

Source: Regional Railroads of America.

NATIONAL RAILWAY LABOR CONFERENCE

1901 L Street, N.W.
Suite 500
Washington, D.C. 20036

Inception

The National Railway Labor Conference became operational on January 1, 1963, when it took over the responsibilities of three regional associations that had been the railroads' representatives in labor negotiations in their respective areas. The NRLC offices were moved from Chicago to Washington, D.C. in 1968.

Services Provided

NRLC represents the railroad industry in bargaining of national labor contracts with 13 major unions. The scope of its representation of the industry extends to virtually all large railroads (except AMTRAK) and many smaller lines. It advises railroads on labor-related matters, including the interpretation of contracts. NRLC frequently presents testimony before Congressional committees.

Source: National Railway Labor Conference.

RAILROAD RETIREMENT BOARD

844 Rush Street
Chicago, Illinois 60611

Background

The first Railroad Retirement Act, enacted on June 27, 1934, was declared unconstitutional by the Supreme Court before it became operational. A new retirement bill was enacted on August 29, 1935. This bill was also challenged on the grounds that neither the railroads, nor the employees could be forced to contribute to annuity payments. At the suggestion of President Roosevelt, the President of the Association of American Railroads and the Chairman of the Railway Labor Executives' Association formed a joint conference to work out a solution to the pension issue. The conference's proposals resulted in the Railroad Retirement Act of 1937. Since that time, there have been many amendments and additions to the Act.

Functions of the Board

The Board's major function is to administer, under Federal control, a retirement, unemployment, and sickness benefit system covering railroad workers engaged in interstate commerce, and employees of railroad labor organizations and their subordinate units, and railroad associations.

Source: Railroad Retirement Board.

RAILWAY PROGRESS INSTITUTE

700 North Fairfax Street
Alexandria, Virginia 22314

Inception

Organized as the Railway Business Association in 1908, the name was changed to Railway Progress Institute in 1955.

Services Provided

The Railway Progress Institute is a national association that represents about 150 railroad equipment and supply companies. Primarily, the Institute's services relate to governmental affairs and technical operations in connection with the Association of American Railroads.

Source: Railway Progress Institute.

TRAILER TRAIN

101 North Wacker Drive
Chicago, Illinois 60606

Inception

Trailer Train was created on November 9, 1955, and began operations March 17, 1956, predicated upon a need to meet public demand for TOFC service with emphasis on uniform design characteristics to permit expeditious interchanging of traffic. Trailer Train commenced operations with a fleet of 500 cars. The fleet was expanded in the early 1960's to include double and triple deck rack cars for transportation of new automobiles. Other specialized flat cars were added in subsequent years.

Ownership

14 railroads.

Operational Characteristics

Trailer Train's free-running fleet is available to railroads upon demand. This provides access to a large fleet of cars without incurring long-term financial obligations. Car hire rates set by Trailer Train are generally below the levels established by the ICC.

Size of Fleet 12/31/88

84,641	Flat Cars
13,314	Box Cars
<u>1,196</u>	Gondolas
99,151	Total

Financial Data (1988)

\$1,268,179	Total Assets
844,793	Total Liabilities
423,386	Stockholders' Equity
417,695	Operating Expenses
216,601	Car Maintenance
48,048	Net Income

Subsidiaries

"Railbox" was established in 1974 to provide a fleet of free-running box cars. "Railgon" was formed in May 1979 to provide a gondola fleet.

Source: Annual Stockholders' Report.

RAILWAY ENGINEERING-MAINTENANCE SUPPLIERS ASSOCIATION

6120 North Avenue
Chicago, Illinois 60639

Inception

Railway Engineering-Maintenance Suppliers Association is the outgrowth of two predecessor associations: National Railway Appliances Association and Association of Track and Structure Suppliers. The NRAA, under several different names had been in existence since 1984; the AT&SS since 1914. These two associations were merged into REMSA in 1965.

Services Rendered

As stated in the Constitution and By-laws of REMSA, the "purpose of this organization shall be to promote the welfare of transportation industries in carrying on the activities of its predecessors. Its activities shall be wholly educational, looking to the greatest advancement in the efficiency, safety, maintenance, and operation thereof. It will cooperate in the development of conventions of Engineering, Maintenance, Research and Scientific Associations, and shall sponsor and hold exhibitions of equipment, appliances, and supplies held in conjunction with these meetings."

Membership

Membership is limited to corporations, firms, and individuals engaged in the manufacture or sale of transportation equipment, appliances and supplies; engineers or contractors engaged in construction and/or maintenance of track facilities; also, publishers of the technical press and others associated with the transportation industry.

Source: Railway Engineering-Maintenance Suppliers Association.

GLOSSARY

GLOSSARY

AVERAGE LENGTH OF HAUL - The average distance in miles one ton is carried.

BRANCH LINE - The rail line serving one or more stations beyond the point of junction with the main line or another branch line.

CASH FLOW - Indication of net cash income or the net of revenues minus cash expenses. The sum of net income from continuing operations, loss (gain) on sale or disposal of tangible property and investment, depreciation and amortization, increase (decrease) in provision for deferred taxes and net decrease or increase in undistributed earnings (losses) of affiliates.

CAR CAPACITY - Load limitation in terms of weight or space.

CAR-MILE - The movement of a unit of car equipment a distance of one mile. An empty car-mile is a mile run by a freight car without a load or a flat car loaded with empty railroad-owned or controlled highway trailers or containers, moving without revenue waybill, excluding company service equipment designed for use exclusively in work service. A loaded car-mile is a mile run by a freight car in freight and passenger trains loaded with revenue or non-revenue freight, or a mile run by company service equipment in transportation trains, or a mile run by a flat car carrying loaded or empty highway trailers moving with revenue waybill.

FIXED CHARGE COVERAGE - Ratio indicating the number of times income is a multiple of fixed charge expense. The higher the value the more able the firm to pay current interest charges. Calculated as income before fixed charges and taxes divided by fixed and contingent interest charges.

FREIGHT SERVICE OPERATING EXPENSES - The sum of operating expenses directly assignable to the freight service and an apportionment of the expenses common to both freight and passenger service.

FREIGHT SERVICE REVENUE - Revenue from the transportation of freight, switching of freight train cars, water transfers of freight, vehicles and livestock, movement of freight trains at a rate per train-mile or for a lump sum, storage of freight, demurrage, grain elevators, stockyards, and miscellaneous services and facilities in connection with the transportation of freight.

GROSS TON-MILE - Total weight of a train moved a distance of one mile.

HOT BOX - An overheated journal caused by excessive friction between wheel bearing and journal.

HOURS, SERVICE - The time of an employee forming the basis for computing his compensation, including time actually worked and paid for at straight-time rates, overtime paid for at punitive rates, time paid for but not worked, and constructive allowances.

INVESTMENT TURNOVER - Ratio indicating the revenue generating capacity of railroad assets. The higher the ratio, the greater the level of operating revenue attained for each dollar of investment in property. Calculated as total operating revenues divided by net property investment.

LOCOMOTIVE UNIT-MILE - The movement of a locomotive one mile in freight train service.

MAIN LINE - Main tracks, exclusive of switch tracks, branches, yards and terminals.

MILES OF ROAD OPERATED - The single or first main track, measured by the distance between terminals, over which railway transportation service is conducted. Excludes industrial tracks, yard tracks, and sidings.

MILES OF TRACK OPERATED - Total track mileage consisting of first, second and other main tracks, and of yard tracks and sidings operated in transportation service.

NET TON-MILE - The movement of a ton of either or both revenue and nonrevenue freight a distance of one mile. A charge for a movement classifies a ton-mile as a revenue ton-mile, and a movement without charge is classified as a non-revenue ton-mile.

GLOSSARY

- NON-REVENUE FREIGHT** - Company materials and supplies transported without charge in freight trains of a particular railroad, for its own use.
- OPERATING EXPENSES** - Expenses of furnishing transportation service including the expense of maintenance and depreciation of the plant used in the service.
- OPERATING RATIO** - The ratio of the operating expenses to the operating revenues.
- OPERATING REVENUES** - The amount of money which a carrier receives from transportation operations.
- PAYROLL TAXES** - Taxes based upon wages paid employees, usually imposed for retirement, unemployment or sickness benefits.
- PIGGYBACK** - A term used to describe the hauling of loaded or empty highway trailers or containers on railroad freight cars. Also called TOFC/COFC service.
- ROLLING STOCK** - Rail transportation equipment on wheels.
- SALARIES AND WAGES CHARGEABLE TO OPERATING EXPENSES** - Includes direct compensation paid or payable to employees for services related to maintenance and operation of a railroad, including profit sharing, stock option plans, and paid time off. Excludes amounts payable for services chargeable to additions, betterments, new construction work, labor billed by or billable to contractors and other companies.
- TIME PAID FOR BUT NOT WORKED** - Payment for holidays, absence due to leave, vacations, miscellaneous time paid for but not worked (such as pay for attending court, suspensions, sickness, etc.), and any other time that can properly be considered constructive.
- TRACK MILE** - One mile of single track.
- TRAIN-HOUR** - The elapsed time of road freight and passenger trains between the time of leaving initial terminals and the time of arrival at final terminals, including train switching at the time of arrival at final terminals, including train switching at way stations and delays on road.
- TRAIN-MILE** - The movement of a train a distance of one mile.
- WAYBILL** - The document covering a shipment and showing the forwarding and receiving station, the names of consignor and consignee, the car initials and number, the routing, the description and weight of the commodity, instructions for special services, the rate, total charges, advances and waybill reference for previous services, and the amount prepaid.
- WEIGHT OF RAIL** - The weight in pounds per yard of rail.
- WORK TRAIN** - A train engaged in company service for which no revenue is received, such as inspection, wreck trains, and trains transporting employees to and from work.

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